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CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
ONE AVENUE OF THE PALMS,
BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND



MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

**TREASURE ISLAND DEVELOPMENT AUTHORITY
MEETING AGENDA**

September 9, 2009 – 1:30 P.M.

Room 400, City Hall
1 Dr. Carlton B. Goodlett Place

Gavin Newsom, Mayor

DIRECTORS

GOVERNMENT
DOCUMENTS DEPT

SEP - 4 2009

SAN FRANCISCO
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John Elberling, *CFO, Secretary*
John Rahaim
Douglas Shoemaker

Mirian Saez, Director of Island Operations
Peter Holm, Commission Secretary

ORDER OF BUSINESS

1. Call to Order and Roll Call
2. Reports
 - a. Report by Director of Island Operations (*Discussion Item*)
Estimated Length of Item: 5 minutes
 - b. Report by Office of Economic & Workforce Development (*Discussion Item*)
Estimated Length of Item: 10 minutes
 - c. Report by the Treasure Island/Yerba Buena Island Citizen's Advisory Board (*Discussion Item*)
Estimated Length of Item: 5 Minutes
3. Communications (*Discussion Item*)

Estimated Length of Item: 5 minutes

4. Ongoing Business by Directors
5. General Public Comment (*Discussion Item*) ****In addition to General Public Comment, Public Comment will be held during each item on the agenda.****
Estimated Length of Item: 10 minutes
6. **CONSENT AGENDA**
Estimated Length of Item: 5 minutes

All matters listed hereunder constitute a Consent Agenda, are considered to be routine by the Treasure Island Development Authority Board and will be acted upon by a single vote of the Authority Board. There will be no separate discussion of these items unless a member of the Authority Board so requests, in which event the matter shall be removed from the Consent Agenda and considered as a separate item.

- a. Approving the Minutes of the July 8, 2009 Meeting (*Action Item*)
- b. Resolution Authorizing the Thirty Third Amendment to the Treasure Island Land and Structures Master Lease between the Authority and the Navy to Extend the Term (*Action Item*)
- c. Resolution Authorizing the Twenty Fifth Amendment to the Treasure Island South Waterfront Master Lease between the Authority and the Navy to Extend the Term (*Action Item*)
- d. Resolution Authorizing the Thirteenth Amendment to the Treasure Island Marina Master Lease between the Authority and the Navy to Extend the Term (*Action Item*)
- e. Resolution Authorizing the Twenty First Amendment to the Treasure Island Events Venue Master Lease between the Authority and the Navy to Extend the Term (*Action Item*)
- f. Resolution Authorizing the Fifth Amendment to the Treasure Island Childcare Center Master Lease between the Authority and the Navy to Extend the Term (*Action Item*)
- g. Authorizing the Director of Island Operations to Execute a Loan Agreement with History San Jose for the Temporary Loan of the Miguel Covarrubias Murals "Peoples of the Pacific", "Economy of the Pacific", "Native Dwellings of the Pacific Area", and "Native Means of Transportation in the Pacific Area" (*Action Item*)
- h. Approval of the Amendment to the Grant Agreement with Kidango to Increase the Operating Subsidy for Child Care Services by \$5,340 For a Total Not to Exceed Amount of \$44,203, and to Extend the Term from September 1, 2009 through September 15, 2009 (*Action Item*)

- i. Resolution Approving and Authorizing the Director of Island Operations to Execute Use Permit No. P-190 with Hartmann Studios, Inc., a California corporation, for the Production of Oracle OpenWorld Appreciation Event in 2009 (*Action Item*)
 - j. Resolution Approving and Authorizing Purchase of an Electrical Panel for the Pavilion By The Bay Project, Treasure Island (*Action Item*)
7. Resolution Approving the Election of Officers of the Treasure Island Development Authority, as Nominated by the Ad Hoc Nomination Committee, to Serve for a Twelve Month Term Beginning October 1, 2009 and Ending September 30, 2010 (*Action Item*)
Estimated Length of Item: 5 Minutes
8. Resolution Approving and Authorizing Execution of (i) the Memorandum of Agreement Between the Treasure Island Development Authority, Treasure Island Homeless Development Initiative, the Department of Children Youth and Their Families, and the San Francisco State University's Head Start Program; (ii) the Grant Agreement to provide operating subsidy to the San Francisco State University's Head Start Program; and (iii) the Sublease with San Francisco State University for Building 502, Treasure Island (*Action Item*)
Presented by Rich Rovetti, Treasure Island Development Authority
Estimated Length of Time: 10 Minutes
9. Resolution Authorizing a Contract with Independent Construction Co. for the Delivery, Temporary Stockpiling and Purchase of Clean Soil Material in an Amount Not-to-Exceed \$980,000 (*Action Item*)
Presented by Jack Sylvan, Office of Economic Workforce & Development
Estimated Length of Time: 10 Minutes
10. Informational Presentation: Operational Update on Treasure Island's Permanent Supportive Housing for Families
Presented by Jeff Kositsky, Community Housing Partnership
Estimated Length of Time: 10 Minutes
11. Continuation of Informational Presentation of the Design for Development Phase II: Definition of the Three Dimensional Form for the Treasure Island Redevelopment Project by Treasure Island Community Development from July 8, 2009 TIDA Board Meeting (*Discussion Item*)
Presented by Keith Orlesky, Treasure Island Community Development
Estimated Length of Time: 30 Minutes
12. Informational Presentation Regarding Transmittals of: i) a Statement of Preparation of a Redevelopment Plan to the State Board of Equalization, the San Francisco Office of the Controller, and all Affected Taxing Entities and; ii) a Report on Projections of any Changes in School Age Population and School Facilities within the Project Area to the California Department of Finance in Accordance with Sections 33327 and 33328.1(b) of California Community Redevelopment Law (*Discussion Item*)
Presented by Michael Tymoff, Office of Economic and Workforce Development
Estimated Length of Time: 10 minutes

13. POSSIBLE CLOSED SESSION

If approved by the TIDA Board, this Closed Session item will take place for approximately 30 minutes at the end of the meeting

- a. Public Comment on all items relating to closed session
- b. Vote on whether to hold closed session to confer with real property negotiators and legal counsel. (*Action item*)

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Persons negotiating for the Authority: Jack Sylvan, Michael Tymoff

Persons negotiating with the Authority: United States Navy, Treasure Island Community Development LLC,

Property: Former Naval Station Treasure Island

Under Negotiation:

Price: _____ Terms of payment: _____ Both: X

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING
PENDING LITIGATION MATTER (*Discussion and Action Item*)

Discuss pending litigation matter with legal counsel pursuant to California Government Code Section 54956.9(a) and San Francisco Administrative Code Section 67.10(d) (1 case)

- *Curtis F. Dowling, Sr. v. City and County of San Francisco, et al*, Superior Court of the State of California, County of San Francisco, Filed December 21, 2004 (Case No. 04-437285)

- c. Reconvene in open session (*Action item*)
 - i. Possible report on action taken in closed session under Agenda Item 13 (Government Code Section 54957.1 (a) (1) and San Francisco Administrative Code Section 67.12)
 - ii. Vote to elect whether to disclose any or all discussions held in closed session (*San Francisco Administrative Code Section 67.12*).

14. Discussion of Future Items by Directors

15. Adjourn

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, 410 Avenue of the Palms, Building 1, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.

If any materials related to an item on this agenda have been distributed to the TIDA Board of Directors after distribution of the agenda packet, those materials are available for public inspection at Treasure Island Development Authority, Building One, 2nd Floor, 410 Ave. of Palms, San Francisco, CA 941130 during normal office hours.

Disability Access

The Treasure Island Development Authority holds its regular meetings at San Francisco City Hall. City Hall is accessible to persons using wheelchairs and others with disabilities. Assistive listening devices are available upon request. Agendas are available in large print. Materials in alternative formats and/or American Sign Language interpreters will be made available upon request. Please make your request for alternative format or other accommodations to the Mayor's Office on Disability 554-6789 (V), 554 6799 (TTY) at least 72 hours prior to the meeting to help ensure availability.

The nearest accessible BART station is Civic Center Plaza at the intersection of Market, Grove, and Hyde Streets. The accessible MUNI Metro lines are the J, K, L, M, and N (Civic Center Station or Van Ness Avenue Station). MUNI bus lines serving the area are the 47 Van Ness, 9 San Bruno, and the 6, 7, 71 Haight/ Noriega. Accessible curbside parking is available on 1 Dr. Carlton B. Goodlett Place and Grove Street. For more information about MUNI accessible services, call 923-6142.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based scented products. Please help the City to accommodate these individuals.

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing devices.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Code 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94102, telephone (415) 581-2300, fax (415) 581-2317 and web site <http://www.sfgov.org/ethics/>.

KNOW YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact: Administrator, Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at 415 554 7724; by fax at 415 554 7854; or by email at sotf@sfgov.org.

Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from the SOTF or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, <http://www.sfgov.org>





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MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

TO: Mayor Gavin Newsom
CC: Steve Kawa, Chief of Staff
Ed Lee, City Administrator
FROM: Mirian Saez, Director of Island Operations
RE: Treasure Island Informational Update
DATE: July 21, 2009

A handwritten signature in blue ink, appearing to read "Mirian Saez", written over the "FROM:" line of the memo.

Highlights of the Month

Summer Sailstice

Summer Sailstice is the global holiday celebrating sailing held annually on the summer solstice – the longest sailing days of the year. A collaborative effort of the Treasure Island Marina, Yacht Club and Sailing Center, this year's Sailstice grew in attendance from approximately 800 guests to 1,000. By providing free anchorage to all boaters, guests were able to enjoy live music, food, a treasure hunt, free sailing, sailing races and a pancake breakfast. This year *7 X 7 Magazine* voted Summer Sailstice the *Best Day on the Bay*.

Cisco Live

On July 1, Cisco Systems hosted an appreciation event for its employees from all over the country. The event which took place on the Great Lawn, treated the guests to a beautiful cityscape and near perfect weather. The highlight of the evening was a concert with bands such as *Devo*, *The Bangles* and the *B52's*. While there were a few minor issues with sound, overall the Cisco evening was successful.

Treasure Island Triathlon

On Saturday, July 11 and Sunday, July 12, the seventh annual Treasure Island Triathlon was held on the Island. On Saturday, approximately 1,500 triathletes swam, ran and biked a Sprint triathlon. On Sunday, about 1,000 triathletes swam, ran and biked an Olympic triathlon.

On Saturday, the last race of the day was the International Triathlon Union Pan American Cup featuring some of the best elite triathletes in the world. They were joined by the best Americans competing in the "Elite Draft Legal Race, the Tri-California Events Elite Series Championships." The best triathletes in the world were competing for points.

This year's Triathlon was moved from November to July in order to attract more word class athletes. They have also partnered with NBC's *Biggest Loser*. The beginning of the Saturday race featured 12 former *Biggest Loser* contestants.

Quality of Life Issues

- Because of over whelming support from the community, TIDA extended the Promenade Shoreline Improvement Project by 700 feet along the main entrance of the Island toward the northern shore. The project improved the overall appearance of the public space and created an addition to the walking path.
- TIHDI was the recipient of a grant donating hardware from Cisco Systems, enabling the residential area of the Island to have free Wi Fi. In order to support the free Wi Fi, TIDA and members of Good Neighbors, a community group on TI, worked together to create a Tech Center. The goal is to educate and support The Wi Fi end-users.
- As part of a commitment to improve the delivery of customer service to residents and guests, as well as to add an additional layer of security to the Island, TIDA has hired Department of Public Works Employees (DPW) on light duty to staff the Front Gate. The DPW employees direct visitors as well as answer general questions regarding the island.
- As reported in the February 13, 2009 Memo, TIDA began consolidation discussions with the San Francisco Fire Department (SFFD), San Francisco Police Department (SFPD), and the Public Utilities Commission (PUC). The intent was to work collaboratively to reduce each individual premises while creating more viable commercial space for leasing, thus increasing TIDA's income. The consolidation was completed this July.

New Leases

DCCI Construction – A steel construction specialist company, currently working on the new East Span of the Bay Bridge, has leased office space in the lobby of Building One. Their lease is for the final remaining three office that were available in the Lobby of Building One.

411 Firenews.com – 411Firenews.com is a resource for structure fires in California. They are a hub that serves as a dispatcher for construction, restoration, news and insurance crews. The company sends out crews to structure fires, so the work that needs to be done can be done. They focus their attention to the Bay Area, but also monitor all over the state of California. They are leasing office space on the 4th floor of Building One.

Legislative Update

Public Utilities Commission (PUC) Memorandum of Understanding – TIDA has entered into an agreement with the PUC to repay \$2,100,000 over a period of ten years at the rate of \$200,000 per year and \$28,391 in the 11th year. The agreement was approved by the Board of Supervisors on June 19th, 2009. The unpaid amount is for utility services, including street lighting and water for landscape irrigation, provided by the PUC to the Authority for Fiscal Years 1997/98 through 2005/06.

Future special events

California International Dragon Boat Races, September 26/27, 2009
American Lung Association Healthy Air Walk, September 26, 2009
Alzheimer's Memory Walk, October 10, 2009
Treasure Island Lodi Wine Festival, Sunday October 11, 2009
Third Annual Treasure Island Music Festival, October 17/18, 2009

Attached are the current media for Treasure Island



Before



AFTER



AFTER

SFGate.com

It's all elemental fun at Sailstice

Paul Oliva

Friday, June 12, 2009



The year's longest day arrives next week, ushering in the solstice-timed global sailing holiday Summer Sailstice, which began in the Bay Area in 2000.

Hundreds of events are planned worldwide on June 20 - with a dozen in Northern California - but Treasure Island hosts the big celebration.

Sailstice is different than other bay events. It is a happening - a free worldwide jamboree celebrating everything related to the sun, wind and water.

There's a sizzling windsurfing race of top competitors viewable from the island, and a formal regatta for big boats. The Coast Guard will demonstrate a helicopter rescue. Kids and adults get to race dinghies, participate in a grand photo scavenger hunt or dig in the sand for treasure.

Ashore, teams will compete to build and race full-size wooden boats. Attendees can try a windsurfing simulator, race the clock on a sail-raising trainer or get free boat rides. Five bands are lined up to play into the evening, their repertoires ranging from sea chanties to rock classics.

The event will formally honor the sun with a Big Bang ceremony the moment the sun is highest in the sky and when it dips below the horizon to complete the longest day. Organizers have a cannon permit and encourage attendees to bring a horn.

The Sailstices are organized to draw attention to clean water recreation and raise funds for the ocean conservation group Sailors for the Sea.

For complete event information or to register for a prize drawing, go to summersailstice.com/sf.

S.f police cracking down on neglected, abandoned boats

In advance of Sailstice, the San Francisco Police Department has begun posting derelict boats at Treasure Island with a 30-day notice to facilitate their removal under state law.

The Board of Supervisors is reviewing an ordinance authorizing the Treasure Island Development Authority, or TIDA, to dispose of posted boats and implement a formal anchor permit process.

Mirian Saez, director of island operations, said she intends to develop a simple process making it easier for everyone - from boaters to triathlon swimmers and beachgoers - to enjoy the cove.

For now, anchoring boaters should call the Treasure Isle harbormaster Wednesday through Sunday, or TIDA on weekdays, with a description of the vessel, intended length of stay and anchoring method.

For contact information and ongoing updates, go to sfgov.org/treasureisland.

Media personalities will sail off in their first competition

This weekend, more than a dozen local radio and television broadcasters will take to 30- to 40-foot sailboats for a celebrity race Sunday. It could become an annual tradition.

The event grew out of the gosailingsf.org Web site, rallying the Marine Media Alliance, Bay Area Association of Disabled Sailors, boating organizations and the San Francisco Giants.

Giants fans will see the action on the JumboTron at AT&T Park, and Comcast SportsNet will provide additional coverage.

Paul Oliva is a consultant, writer and sailor. He advises and teaches for various sailing-related groups on San Francisco Bay and sails his boat from South Beach Harbor. E-mail datebookletters@sfgchronicle.com.

<http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/06/12/DDB6184GDN.DTL>

This article appeared on page **F - 4** of the San Francisco Chronicle

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MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

URGENT

TO: Mayor Gavin Newsom
CC: Ed Lee, City Administrator
FROM: Mirian Saez, Director of Island Operations
RE: Treasure Island Informational Update
DATE: August 28, 2009

The Treasure Island Development Authority (TIDA), the U.S. Coast Guard, California Department of Fish and Game's Office of Spill Prevention and Response, local agencies, and other partner organizations initiated oil mitigation and surfacing plans in response to the sinking of the World War II tug the Wenonah, at Pier One on Treasure Island, last Monday August 17, 2009.

The Coast Guard has contracted with a salvage company to surface the tug Wenonah as she rests in 30 feet of water. Salvage crews have begun preparing the vessel for surfacing – which is expected to occur TODAY, Friday, August 28, 2009 - in order to secure the pollution threat.

California Department of Fish and Game has received no reports of impacts to wildlife. Caution buoys have been placed around the containment area to enforce a 200-yard safety zone, warn passing vessels, and ensure protection of the local environment from any further oil discharge.

The surfacing process includes: prevention measures taken to ensure integrity of containment boom and increase absorbent materials around the tug; two access channels dug under the hull of the tug, fore and aft of the vessel; and two 90-foot segments of chain capable of lifting 450 tons positioned under the tug and winched together above the vessel by a crane. A lifter will raise the tug to the waterline, and then deposit it on board a barge. Coast Guard Pacific Strike Team members will board the tug and commence de-watering, compartment-by-compartment.

As the resource trustee, TIDA will oversee the disposal of the tug. Once on board the barge, the vessel will be transported Mare Island where any hazardous materials will be mitigated, and the vessel scrapped. TIDA estimates the cost of the barge, transportation to Mare Island, and mitigation at approximately \$250,000, offset by the scrap value of approximately \$15,000, as well as some Coast Guard reimbursements.



GAVIN NEWSOM
MAYOR

POLICE DEPARTMENT
CITY AND COUNTY OF SAN FRANCISCO

THOMAS J. CAHILL HALL OF JUSTICE
850 BRYANT STREET
SAN FRANCISCO, CALIFORNIA 94103-4603



GEORGE GASCÓN
CHIEF OF POLICE

September 1, 2009

Ms. Mirian Saez
Executive Director
Treasure Island Development Authority
410 Avenue of the Palms
Treasure Island
SF., CA 94130



SENT VIA FACSIMILE TO (415) 274-0299

Reference: Treasure Island Crime Statistics – August 2009

Dear Ms. Saez:

There were twenty incident reports filed with the San Francisco Police Department about occurrences on Treasure Island and Yerba Buena Island during the month of August 2009. Please see Attachment A for specific information.

Please Contact me at (415) 553-9154 or at Daniel.McDonagh@sfgov.org if you have any questions.

Sincerely,

Daniel McDonagh
Captain – Southern Station

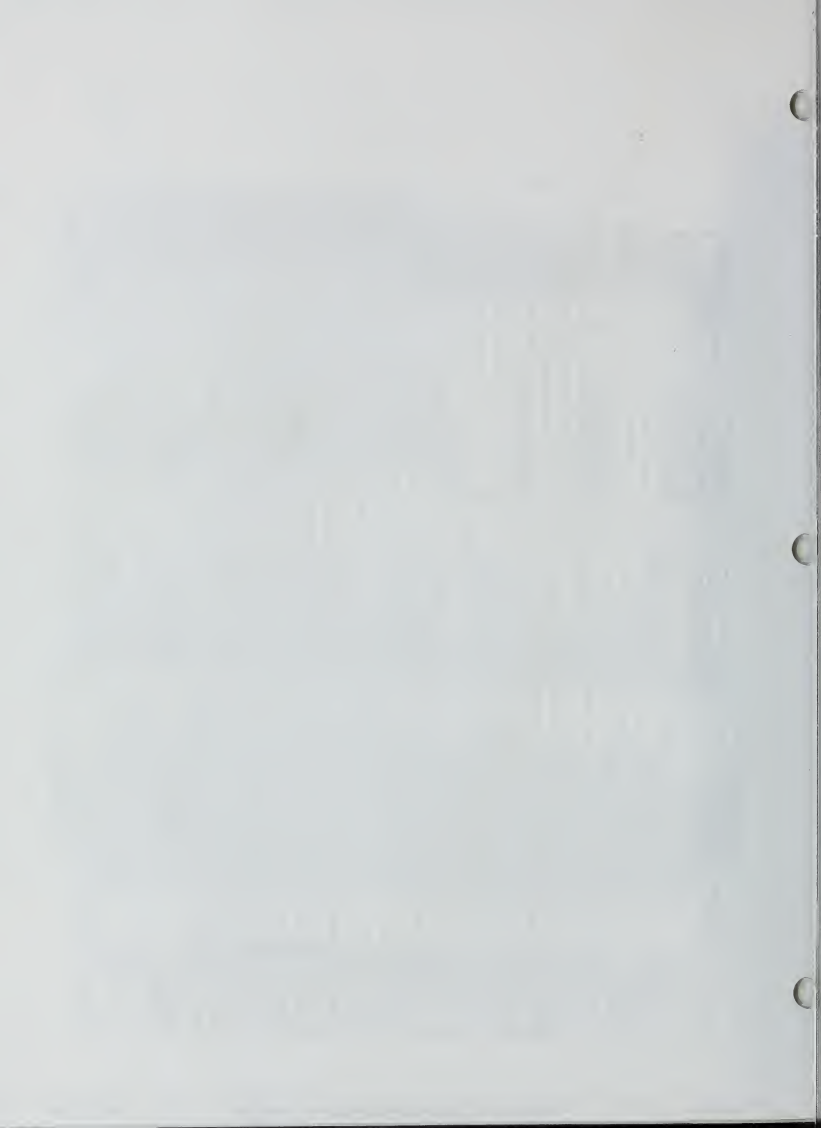
By:

Officer Louis Glaser
Southern Station
(415) 553-7959

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Arson	Total 10
Larceny 2	

[illegible]



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MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

To: Treasure Island Development Authority Board of Directors
From: Mirian Saez, Director of Island Operations
Date: September 4, 2009
Re: Use Permit and Film Permit Waivers and Reductions

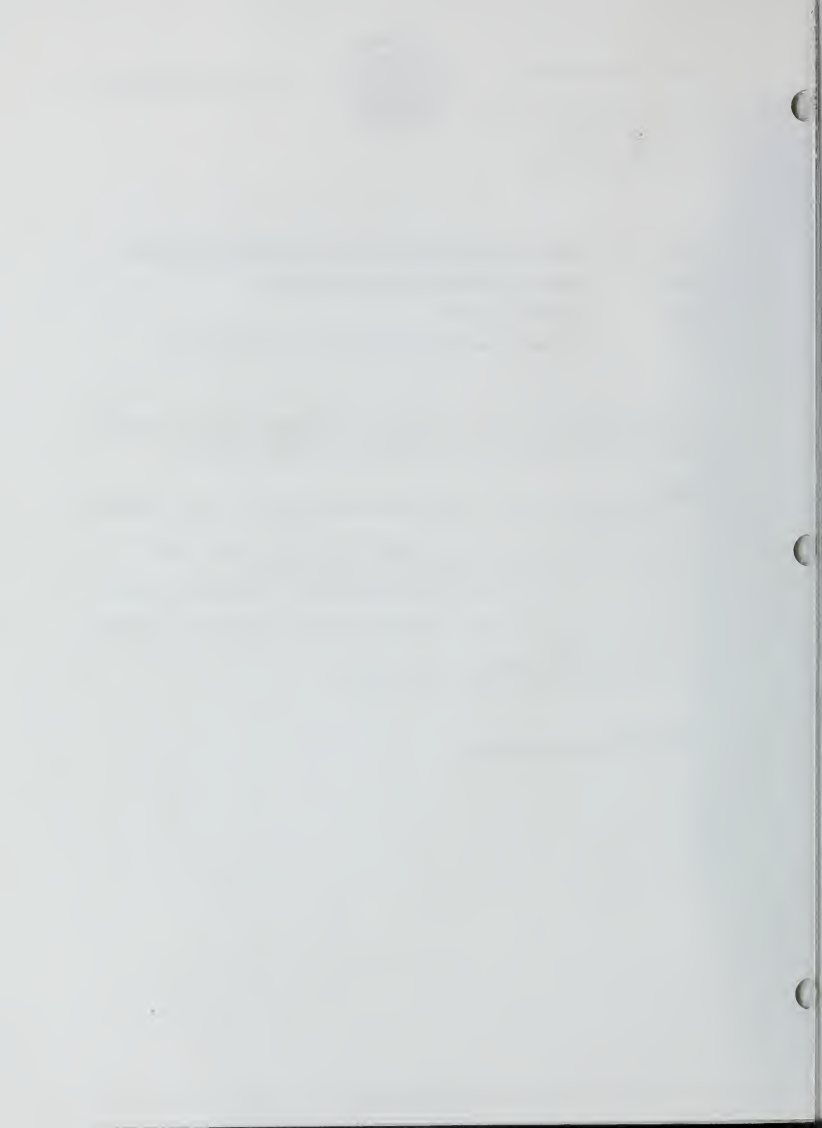
The following waivers and reductions were granted for short-term Use Permits and Film Permits between July 3rd, 2009 and September 4, 2009

Waivers:

- Bay Area Toll Authority – Yerba Buena Island Quarters 2, 3, 10 – September 1 – 10, 2009
- Delancey Street Foundation – Fogwatch Picnic Area – July 4, 2009
- YMCA of San Francisco – Great Lawn – July 16, 2009
- Treasure Island Homeless Development Initiative – Great Lawn – July 18, 2009
- Open4Business Productions – Yerba Buena Island Quarters 1, 7 – July 27 – August 14, 2009
- (ADD ANY NEW ONES)
- CHECK WITH WVC, ADD ANY OF THEIRS

Reductions:

- CHECK WITH WINE VALLEY



July 2009

Category:						
Event Date	Event #	Venue(s)	Event Name	Facility	Sec. Dep	
4-Jul-09	E-034	Portion of Great Lawn	Delancey Street Picnic	Waived	Waived	
July 11 - 12, 2009	E-042	B-180 lot, misc. streets and roads, Clipper Cove	2009 Treasure Island Triathlon (Tri-California)	16,000	8,000.00	
Saturday, July 11, 2009	E-026	Fogwatch Picnic Area	Maggie Cagdenot/Kevin Moss Wedding	\$100	100.00	
Thursday, July 16, 2009	E-040	Great Lawn	YMCA of San Francisco youth day	waived	waived	
Saturday, July 18, 2009	E-038	Portion of Great Lawn	Wine Valley Catering - wedding ceremony	500.00	None	
Saturday, July 18, 2009	E-037	Portion of Great Lawn	TIHDI Community Market Event	Waived	None	
Tuesday, July 21, 2009			TRAUMA FILMING STARTS			
July 30 - August 3	E-046	Avenue H btwn 11th and 13th, Avenue F, 3rd Street	SF Gaelic Athletic Association tournament	n/a		

August 2009

Category:						
Event Date	Event #	Venue(s)	Event Name	Facility	Sec. Dep	
August 21 - 23, 24, 2009	E-044	Great Lawn	Production Glue - Corporate Picnic	4000 (\$2500)	2000 (\$500)	
Friday, August 28, 2009	E-039	Great Lawn	FivePrime Therapeutics - Company Picnic	2,000.00	1,000.00	

[illegible]



SPECIAL EVENTS

August 8, 2009- August 31, 2009

Saturday, August 8, 2009

Wedding –Casa

– Guest Count 40

11am-3pm

Sunday, August 9, 2009

Church Services - Library

9am – 1pm

Friday, August 14, 2009

Meeting –Casa - Dublin Unified School District

– Guest Count 50

8am-4pm

Saturday, August 15, 2009

Wedding –Casa

– Guest Count 126

6pm-12 Midnight

Tuesday, August 18, 2009

NAVY –RAB Meeting

4pm-9pm

Saturday, August 22, 2009

Wedding –Chapel/Casa

Guest Count 150

6pm-12 Midnight

Sunday, August 23, 2009

Wedding – Casa

Guest Count 125

6pm-11pm

Saturday, August 29, 2009

Wedding –Chapel/Casa

Guest Count 124

6pm-12 Midnight

Saturday, August 29, 2009

Wedding – Pavilion by the Bay

Guest Count - 200

6pm-12 Midnight

Sunday, August 30, 2009

Birthday Party – Casa

120

3pm-10pm

MEMORANDUM

September 9, 2009

**TO: MEMBERS, TREASURE ISLAND DEVELOPMENT
AUTHORITY
BOARD OF DIRECTORS**

**FROM: Miriam Saez
Director of Island Operations**

SUBJECT: Informational Update on Intergovernmental Agreement between Treasure Island Development Authority and the Department of Building Inspection

Background:

The Treasure Island Development Authority (the "Authority") leases portions of the Treasure Island and Yerba Buena Island (the "Base") from the Navy. The Authority then subleases the property to third parties to generate revenue for the management, operation and redevelopment of the Base. The Authority also has the ability to enter into agreements with governmental agencies for services in furtherance of its purposes, including inspection and advice.

On August 12, 2009, the Authority entered into the Intergovernmental Agreement between the Department of Building Inspection for the City and County of San Francisco ("DBI") for Plan Review and Field Inspection Services (the "Agreement"). According to the terms of the Agreement, DBI will provide plan review and field inspection services for existing buildings and other structures on the Base on an "as-needed" basis. DBI will provide these services in an advisory capacity as an independent contractor to the Authority. The Authority will retain jurisdiction and review authority.

Terms:

Parties planning to do work on the Base may be directed by Project Staff to DBI to submit a request for a "Project Control Application." As an advisor to the Authority, DBI will coordinate with the San Francisco Fire Department to conduct a Plan Review of the Applicant's architectural, structural, mechanical, plumbing and electrical plans to determine whether plans are compliant with the San Francisco Building Code (the "SFBC") to the extent applicable to the Base. Upon completion of a satisfactory Plan Review, DBI will not issue a permit; rather it will issue a Compliance Letter to the Authority recommending that the Authority issue a building permit to the Applicant. During the course of construction, DBI will perform site and field inspection services to verify compliance with applicable requirements of the SFBC. Upon completion of the

work DBI will issue a Compliance Letter stating that the project as constructed complies with all applicable requirements of the SFBC.

Conclusion

The Agreement formalizes a historically effective working relationship allowing the Authority or the Authority's sublessees to benefit from the expertise of DBI. The Agreement will have no fiscal impact on the Authority as the Applicant will pay DBI directly for all services provided. The fully executed Agreement is attached hereto as Exhibit A.

Expenses		FY 09-10 Board Approved 09-10	FY 09-10 Actuals	FY 09-10 Balance
09/09/09- DRAFT DATA OPERATIONS EXPENSES				
ADMINISTRATION				
MISC-REGULAR (Salaries)	Under GSA's Budget			
RETIRE CITY MISC FRINGE BENEFITS	Under GSA's Budget			
TDA INTERNSHIP PROGRAM	\$15,000		waiting on DHR reply	\$15,000.00
TRAVEL COSTS	\$5,000		\$0	\$5,000.00
TRAINING COSTS	\$10,000		\$568.00	\$9,432.00
LOCAL FIELD EXP	\$750		\$304.41	\$445.59
MEMBERSHIP FEES	\$4,000		\$0	\$4,000.00
PROMOTIONAL AND MARKETING EXPENSE	\$20,000		\$0	\$20,000.00
DELIVERY & POSTAGE	\$15,000		\$0	\$15,000.00
OFFICE RENTALS & LEASED EQUIPMENT	\$13,000		\$921.42	\$12,078.58
OFFICE MATERIALS & SUPPLIES	\$16,000		\$0	\$16,000.00
OTHER CURRENT ADMINISTRATIVE EXPENSES	\$713		\$0	\$713.00
TOTAL ADMINISTRATION	\$131,750		\$2,507	\$129,243
PROFESSIONAL & SPECIALIZED SERVICES				
TREASURE ISLAND BOYS & GIRLS CLUB HOUSE	\$140,000		\$0.00	\$140,000.00
KIDANGO	\$50,000		\$38,873	\$11,127.00
THOI-OPERATING CONTRACT	\$175,000		\$13,768	\$161,231.60
THI GYM OPERATIONS YMCA	\$150,000		\$15,273	\$134,727.00
MARINE SALVAGE	\$20,000		\$8,317	\$11,682.75
GGEEA -PUBLIC ART HISTORICAL PRESERVATION	\$40,000		\$10,915	\$29,084.05
SCAVENGER SERVICES (GOLDEN GATE DISPOSAL)	\$25,000		\$1,268	\$23,732.47
JANITORIAL SERVICES (Toolworks)	\$108,000		\$9,000	\$99,000.00
FOUNDATIONS MAINTENANCE RUBICON	\$875,000		\$56,250	\$818,750.00
TDA DIRECTOR'S LIABILITY INSURANCE	\$45,000		\$0	\$45,000.00
OTHER PROFESSIONAL SERVICES	\$40,000		\$11,571	\$28,429.50
TOTAL PROFESSIONAL & SPECIALIZED SERVICES	\$1,468,000		\$165,235	\$1,302,765
CITY DEPARTMENT WORK-ORDERS				
DEPARTMENT OF PARKING AND TRAFFIC	\$15,000		\$20,000	\$0.00
CONTROLLER'S OFFICE	\$25,000		\$25,000	\$0.00
OTIS SERVICES (AAO)	\$38,000		\$40,223	\$0.00
DEPARTMENT OF BUILDING INSPECTION	\$10,000		\$10,000	\$0.00
RISK MANAGEMENT INSURANCE CONSULTING	\$8,000		\$8,000	\$0.00
GENERAL SERVICES AGENCY	\$1,202,592		\$1,068,130	\$0.00
GF-CITY ATTORNEY-LEGAL SERVICES (AAO)	\$200,000		\$200,000	\$0.00
GF-HR-AGMT TRAINING (AAO)	\$3,000		\$3,000	\$0.00
IS PURCH-CENTRAL SHOPS-AUTO MAINT (AAO)	\$13,000		\$13,000	\$0.00
IS PURCH-CENTRAL SHOPS-FUEL STOCK (AAO)	\$3,500		\$3,500	\$0.00
IS PURCH-REPRODUCTION (AAO)	\$20,000		\$20,000	\$0.00
GF-PUC-HATCH HATCH (AAO) (\$650,000 Utility Bills, 135,000 Generators, \$200,000 MOU)	\$885,000		\$885,000	\$0.00
SR-OPW-BUILDING REPAIR (AAO)	\$1,187,608		\$475,159	\$0.00
FACILITIES MANAGEMENT SERVICES	\$0		\$776,809	\$0.00
SR-OPW-SPECIAL SERVICES	\$0		\$23,236	\$0.00
SR-OPW-BUREAU OF STREET ENVIRONMENTAL SERVICES	\$48,470		\$48,470	\$0.00
SR-OPW-BUREAU OF STREETS AND SEWER REPAIR SERVICES	\$80,263		\$80,263	\$0.00
SR-OPW-BUREAU OF PLANT AND FORESTRY SERVICES	\$175,000		\$175,000	\$0.00
SR-OPW-BUREAU OF OPERATIONS	\$109,824		\$109,824	\$0.00
SPECIAL CAPITAL IMPROVEMENT PROJECTS	\$245,572		\$0	\$245,572.00
TOTAL CITY DEPARTMENT WORK-ORDERS	\$4,549,967		\$3,974,790.00	\$425,170.00
SUBTOTAL OPERATIONS EXPENDITURES				
SURPLUS AVAILABLE FOR DISTRIBUTION TO GENERAL FUND				
PROTECTIVE SERVICES SFFD & SFPD	\$4,014,548		\$4,140,253	\$0
TOTAL OPERATIONS EXPENDITURES	\$10,164,265		\$8,282,785	\$1,857,718

Treasure Island Development Authority
FY 2009-10 Revenues

TIDA 2009-10 REVENUE SOURCES 09/09/09

Joint Venture Special Events
TIDA Special Events Revenues
TI Commercial Revenues
Film Revenues
YBI Filming/Celebrities/ Banner Revenues
Maritime Revenues
John Stewart Company Housing Revenues
John Stewart Company Housing CAM Revenues
SFED Training Academy
Carryforwards

Grand Totals

FY 09-10 TIDA Board Approved Budget
\$457,355.00
\$194,000.00
\$1,654,800.00
\$20,000.00
\$328,940.00
\$102,730.00
\$5,702,840.00
\$339,600.00
\$814,000.00
\$550,000.00

\$10,164,265.00

FY 09-10 TIDA Deposits as of 09/09/09
\$71,723.72
\$25,050.00
\$283,729.39
\$1,500.00
\$82,908.63
\$23,107.50
\$950,702.73
\$79,727.60
\$0.00
\$0.00

\$1,518,449.57

Balance
\$385,631.28
\$168,950.00
\$1,371,070.61
\$18,500.00
\$246,031.37
\$79,622.50
\$4,752,137.27
\$259,872.40
\$814,000.00
\$550,000.00

15%

Treasure Island Development Authority
Subleases and Permits Executed
Pursuant To Leasing Policy
As of September 9, 2009

Location / Facility	Agreement Number	Leasehold Status (new / expired)	Company Name / Prospective Subtenant	Commencement Date	Leasehold Type	Sq. Ft.	Monthly Rent	Comments
Buildings 1, 3, and 180	158	New	SF Film	6/1/09	Filming	Various	\$22,500	Executed
Building 264	169	New	AAA Construction	6/22/09	Storage	PA: 10,000 PB: 2,340	\$1,600	Executed
Building 216	27	New	Will Chase	12/1/08	storage	400	\$60.00	Executed
YBI	100	New	New Circular Wireless	12/1/08	Access	N/A	\$2,500.00	Executed
Avenue H, Avenue F, 3 rd Street	P-179	New	SFGAA	7/30 - 8/3/09	Athletic Event	N/A	waived	Executed
YBI Nimitz House	P-168	New	Monica Hobbs Catering	9/1/09/09 - 12/20/09	SFOB events and meetings	Various	\$3,645.00	Executed
Great Lawn	P-177	New	Production Glue, LLC	8/12/09 - 8/23/09	Corporate Event	various	\$4,000	Executed
Great Lawn	P-178	New	Five Prime Therapeutics	8/29/09	Corporate Event	N/A	\$2,000	Executed
B-180 lot, Clipper Cove, portion of 180 South	P-176	New	Tri-California Events	7/6/09 - 7/14/09	Event	various	\$16,000	Executed

Treasure Island Development Authority
FY 2009-10 Revenues

TIDA 2009-10 REVENUE SOURCES 09/09/09

Joint Venture Special Events
TIDA Special Events Revenues
TI Commercial Revenues
Film Revenues
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\$18,500.00
\$246,031.37
\$79,622.50
\$4,752,137.27
\$259,872.40
\$814,000.00
\$550,000.00
\$8,095,815

Percentage
16.00%
12.91%
17.15%
7.50%
25.20%
22.49%
16.67%
23.48%
0.00%
0.00%
15%

**Treasure Island Development Authority
Subleases and Permits Executed
Pursuant To Leasing Policy
As of September 9, 2009**

Location / Facility	Agreement Number	Leasehold Status (new / expired)	Company Name / Prospective Subtenant	Commencement Date	Leasehold Type	Sq. Ft.	Monthly Rent	Comments
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B-180 lot, Clipper Cove, portion of 180 South	P-176	New	Tri-California Events	7/6/09 – 7/14/09	Event	various	\$16,000	Executed

YBI Quarters 2, 3 and 10	P-173	New	Bay Area Toll Authority	9/3 - 9/8/2009	SFOBB Labor Day activities	N/A	Waived	Executed
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MEMORANDUM

TO: TIDA BOARD
FROM: MIRIAN SAEZ, DIRECTOR OF ISLAND OPERATIONS
SUBJECT: TIDA - GENERAL SERVICE AGENCY PERSONAL PROPERTY EXCHANGE
DATE: SEPTEMBER 2, 2009
CC: EDWIN M. LEE, DIRECTOR OF GENERAL SERVICES AGENCY

Please find below pertinent details of an exchange between the Bureau of Building Repairs (BBR) Public Works, Central Shops Fleet Management and the Treasure Island Development Authority (TIDA), all departments under the City's General Services Agency (GSA) umbrella. The exchange is disclosed to you for transparency and reporting purposes and occurred with cooperation of Mr. Edwin M. Lee, the Director of General Service Agency.

Executive Directive ED08-03, Reduction of Discretionary Spending, was issued by Mayor Newsom in March 2008. The Directive required the City Administrator to implement an additional 5% reduction in the City's general purpose fleet. Consistent with the Directive, in late 2008, TIDA and BBR disposed of 84 obsolete Navy vehicles including those used by TIDA in its Operations. TIDA transferred the 84 vehicles back to the Navy for removal from the Island utilizing the services of Central Shops Fleet Management.

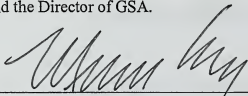
As a result of the City's fleet reduction, TIDA gained three fuel efficient vehicles from Central Shops Fleet Management in May and August 2009. Vehicle 22000006 is a 2001 Honda Civic VIN#1HGFA16507L104434 with mileage of 4,900. The Kelly's Blue Book value for this vehicle is \$8,360. Vehicle 22000012 is a 1999 Ford 12 Passenger Van VIN#1FMNE31SXXHB06102 with mileage of 24,800. The Kelly's Blue Book value for it is \$6,800. Finally, Vehicle 22000023 is a 1999 Honda Civic VIN#1HGEN1649XL000404, with an approximate mileage of 48,750. The Kelly's Blue Book value for this vehicle is \$6,635. The total Blue Book value for the three vehicles is \$21,795. (Photographs attached).

The vehicles will be used for official Treasure Island Project Office business, for staff commutes between City Hall and the Island, and for staff tours showcasing Island properties.

In consideration for the three vehicles received, the Treasure Island Project Office, through the TIDA Board, approved an annual work-order with BBR and donated fourteen decorative flower pots for the beautification effort of the San Francisco Civic Center Plaza outside City Hall. The value of material and labor costs for the project has been estimated at \$26,455. TIDA's donation will be acknowledged with plaques noting the contribution (Photographs attached).

Staff is currently negotiating with Central Shops Fleet Management to acquire an additional pick-up truck for the public works needs of the Island before the end of calendar year 2009.

The Departmental exchange with all participating agencies under the City's GSA is acknowledged through the signing of this memo between TIDA's Director of Island Operations and the Director of GSA.



Mirian Saez, Director of Island Operations



Mr. Edwin M. Lee, Director of General Services Agency





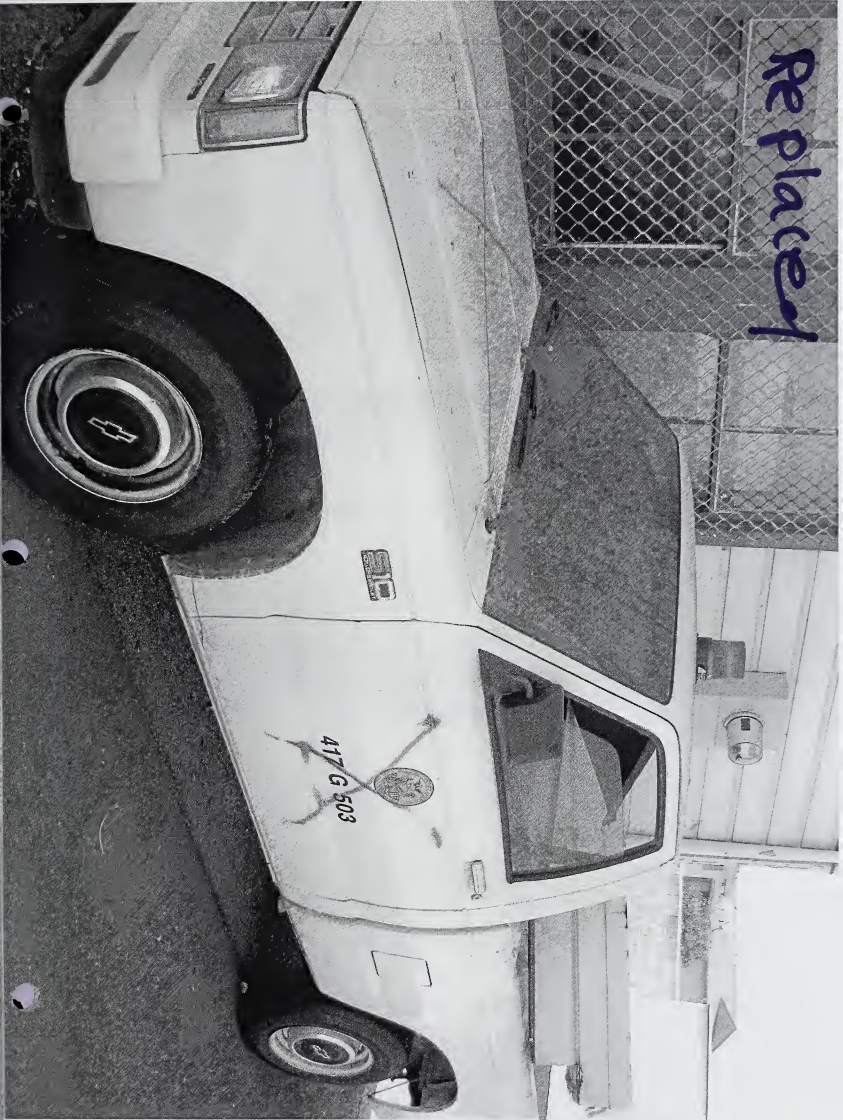








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TREASURE ISLAND DEVELOPMENT AUTHORITY

410 AVENUE OF THE PALMS,
BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0860 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

*****Please Note Location*****

Agenda

**Treasure Island /Yerba Buena Island
Citizens Advisory Board**

**Tuesday, September 1st, 2009
6:00-8:00 p.m.**

**San Francisco City Hall, Room 305
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102**

For further information about the meeting please contact Andrea Bruss at (415) 554-4720

- I. Roll Call
- II. Approval of June 18, 2009 CAB Minutes. (Action Item)
- III. TIDA Staff Updates (Information Item):
 - a) Treasure Island Development Authority Board meeting of July 8, 2009
 - b) Legislative
 - c) Development Schedule
 - d) Naval Negotiations
 - e) Bay Bridge
 - f) Job Corps
 - g) Island Clean-Up
- IV. Infrastructure and Sustainability Updates Presentation by Treasure Island Community Development (30 mins) (Discussion Item)
- V. Public Comments (15 mins)
- VI. Adjourn

MEETING AGENDAS AVAILABLE ON E-MAIL

If you would like to receive TICAB meeting agendas by e-mail, please send your name and e-mail address to TICAB@sfgov.org.

Disability Access

The Treasure/Yerba Buena Island Citizen Advisory Board meets on Treasure Island in Building 442, City Hall, 1 Dr. Carlton Goodlett Place or at the San Francisco Redevelopment Agency. All buildings are accessible to persons using wheelchairs, and others with disabilities. For American Sign Language interpreters or use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please telephone 554-6789 or 274-0660 at least 48 hours before a meeting.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals.

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing devices.

The closest accessible BART is Civic Center, three blocks from the City Hall at the intersection of Market, Grove and Hyde Streets. Accessible MUNI lines serving this location are: #42 Downtown Loop, 9 San Bruno and the #71 Haight/Noriega. Accessible Muni Metro lines are J, K, L, M and N stopping at the Muni Metro Civic Center Station at Market and Van Ness. For more information about MUNI accessible services, call 923-6142. Accessible curbside parking is available on Grove Street.

TREASURE ISLAND WEBSITE

Check out the Treasure Island website at www.sfgov.org/treasureisland to find out about activities and facilities on Treasure Island, special events venues for rent, or to review the Treasure Island Development Authority's agendas and minutes.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Code 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94102, telephone (415) 581-2300, fax (415) 581-2317 and web site <http://www.sfgov.org/ethics/>.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine Ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance [Chapter 67 of the San Francisco Administrative Code] or to report a violation of the ordinance, contact Donna Hall by mail at Sunshine Ordinance Task Force at City Hall, Room 409, 1 Carlton B. Goodlett Place, San Francisco, CA 94102-4683. The Task Force's telephone and fax numbers are (415) 554-7724 and (415) 554-5163 (fax) or by email at Donna_Hall@sfgov.org. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org/bdsuprvr/sunshine/ordinance.



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NOTICE OF MEETING CANCELLATION

Please note that the August 4th meeting of the Treasure Island/ Yerba Buena Island Citizens Advisory Board (CAB) has been cancelled.

The next meeting is scheduled for September 1st , 2009, at 6:00 at San Francisco City Hall, room 305. 1 Dr. Carlton B. Goodlett Pl, San Francisco, Ca, 94102

Please contact Andrea Bruss at (415)554-6661 with any questions.

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MEMORANDUM



To: Mirian Saez, Director of Operations, Treasure Island Development Authority

cc: Marc McDonald, TIDA
John Stewart, JSCo
Paula Schlunegger, JSCo
Suzanne Wood, Edison Capital
Loren Sanborn, JSCo
Lynny Lee, JSCo
Ned York, JSCo
Connie Le, JSCo
Jack Gardner, JSCo

From: Michael Smith-Heimer *ms*

Date: July 20, 2009

Subject: Percentage Rent for Treasure Island Housing Project Sublease for June 2009

Enclosed is our payment of Percentage Rent in the amount of \$399,712.09 for the June period, calculated per the sublease agreement. This figure is based on the accompanying attachments. You should note that these expenses include funding reserves as outlined in the sublease requirements including accrued funds to pay Possessory Interest charges of the property. In addition, this figure is net of Construction activities for the period (see attached memo).

Calculation of Funds Available for Distribution

TIDA receives 95% revenues remaining after adjusting gross revenues by operating expenses, current accretion due and the repayment of ledger balances based on sublease specifications. Funds expended for replacement reserve eligible items are expensed in the period expenses are recognized. To the degree that these costs are reimbursed from the replacement reserve account, percentage rent will be adjusted in the period that the reserve draw is approved.

For the month of June 2009, Actual Total Revenues were above Budgeted Total Revenues by about 9% while Actual Total Operating Expenses were above Budgeted Total Operating Expenses by about 18% (due to higher administrative expenses and replacements). The result was that Funds Available for Distribution were about 16.7% above budget.

Calculation of Percentage Rent

Based on operations, a total of 451,016 in adjusted Gross Revenues after costs of operations are available for distribution for the June period. These revenues are distributed as follows:

<u>June 2009 Distributions</u>	<u>Actual</u>	<u>Budgeted</u>
Available for Distribution	\$451,016	\$460,655
Percentage rent for TIDA	\$399,712.09	\$437,622
Percentage rent reimbursed to JSCo for Playground Construction	28,752.91	
Total percentage rent to TIDA	\$428,465.00	\$437,622
Percentage rent for JSCo	\$22,551.00	\$23,033

This percentage rent breakdown reflects the current year split by TIDA/JSCo. Beginning with April 2005 disbursements, TIDA receives 95% of revenues after expenses, while the John Stewart Company percentage is 5% of the amount.

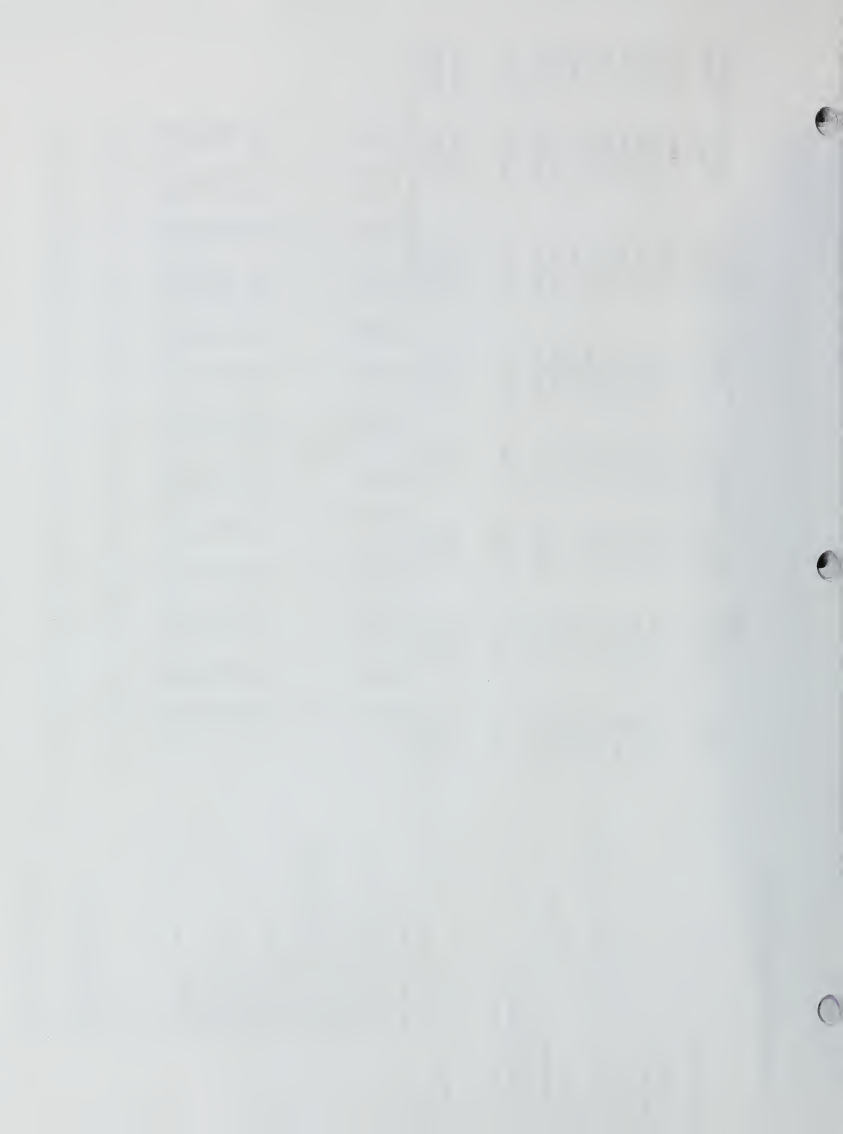
ESTIMATE OF REVENUE AND OPERATING EXPENSES FROM OPERATIONS

DRAW	June	July	August	September	October	November	December	January	February	March	April	May	June
Units ready for occupancy at beginning of month	113	114	115	116	117	118	119	120	121	122	123	124	125
Units Leased and Occupied during month	510	516	518	518	517	518	519	519	520	519	518	516	518
Aggregate Units Leased and Occupied during month	542	540	536	540	538	536	539	539	541	539	537	534	510
Average Unit Cost													
ADMINISTRATIVE EXPENSES FROM OPERATIONS													
6500 ADMINISTRATIVE EXPENSES													
6510 Advertising/Printing	2,257	2,271	1,980	2,271	1,983	1,915	1,267	2,262	2,255	1,330	2,297	6,335	1,781
6511 Advertising/Printing	2,257	2,271	1,980	2,271	1,983	1,915	1,267	2,262	2,255	1,330	2,297	6,335	1,781
6512 Advertising/Printing	2,257	2,271	1,980	2,271	1,983	1,915	1,267	2,262	2,255	1,330	2,297	6,335	1,781
6513 Advertising/Printing	2,257	2,271	1,980	2,271	1,983	1,915	1,267	2,262	2,255	1,330	2,297	6,335	1,781
6514 Advertising/Printing	2,257	2,271	1,980	2,271	1,983	1,915	1,267	2,262	2,255	1,330	2,297	6,335	1,781
6515 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6516 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6517 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6518 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6519 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6520 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6521 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6522 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6523 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6524 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6525 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6526 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6527 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6528 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6529 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6530 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6531 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6532 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6533 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6534 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6535 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6536 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6537 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6538 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6539 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6540 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6541 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6542 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6543 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6544 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6545 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6546 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6547 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6548 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6549 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6550 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6551 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6552 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6553 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6554 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6555 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6556 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6557 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6558 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6559 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6560 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6561 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6562 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6563 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6564 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6565 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6566 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6567 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6568 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6569 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6570 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6571 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6572 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6573 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6574 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6575 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6576 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6577 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6578 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6579 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6580 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6581 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6582 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6583 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6584 Office Supplies	20,151	20,164	22,774	22,774	21,227	21,227	21,227	21,227	21,227	21,227	21,227	21,227	22,508
6585 Office Supplies	20,151	20,164											

[illegible]

YEAR TO DATE

	June			YEAR TO DATE		
	Actual	Budget	Variance %	Actual	Budget	Variance %
Total Revenue	1,108,464	1,016,781	91.883	6,071,549	6,100,686	97.893
Marketing	5,367	7,125	(1,758)	37,881	42,750	(4,869)
Administrative	100,174	77,117	23,057	498,510	482,702	36,808
Utilities	147,186	150,560	(3,374)	883,116	903,360	(20,244)
O&M (incl insurance expense)	164,860	144,628	20,232	884,861	867,768	17,093
Tax Ins (inc. community room and finance exp)	55,155	58,041	(2,886)	328,153	348,246	(20,093)
Rent	46,636	47,245	(609)	278,596	283,470	(4,874)
Reserves	11,560	11,560	-	69,360	69,360	0.00%
Replacement (excl. anticipated draw)	126,510	59,850	66,660	466,172	359,100	107,072
Total Expenses	657,448	556,126	101,322	3,446,649	3,336,756	109,893
Prior Period Adjustments						
Available for Distribution	451,016	460,655	(9,639)	3,224,900	2,763,930	460,970
Available for Distribution	451,016	460,655	(9,639)	3,224,900	2,763,930	460,970
TIDA	428,465	437,622	(9,157)	3,063,655	2,625,734	437,921
JSCO	22,551	23,033	(483)	161,245	138,197	23,047





MEMORANDUM

To: Mirian Saez, Director of Operations, Treasure Island Development Authority

cc: Marc McDonald, TIDA
John Stewart, JSCo
Paula Schlunegger, JSCo

Suzanne Wood, Edison Capital
Loren Sanborn, JSCo
Lynny Lee, JSCo

Ned York, JSCo
Connie Le, JSCo
Jack Gardner, JSCo

From: Michael Smith-Heimer

Date: August 20, 2009

Subject: Percentage Rent for Treasure Island Housing Project Sublease for July 2009

Enclosed is our payment of Percentage Rent in the amount of 537,269 for the July period, calculated per the sublease agreement. This figure is based on the accompanying attachments. You should note that these expenses include funding reserves as outlined in the sublease requirements including accrued funds to pay Possessory Interest charges of the property.

Calculation of Funds Available for Distribution

TIDA receives 95% revenues remaining after adjusting gross revenues by operating expenses, current accretion due and the repayment of ledger balances based on sublease specifications. Funds expended for replacement reserve eligible items are expensed in the period expenses are recognized. To the degree that these costs are reimbursed from the replacement reserve account, percentage rent will be adjusted in the period that the reserve draw is approved.

For the month of July 2009, Actual Total Revenues were above Budgeted Total Revenues by about 9% while Actual Total Operating Expenses were below Budgeted Total Operating Expenses by about 2.5% (due to lower replacements). The result was that Funds Available for Distribution were about 22.7% above budget.

Calculation of Percentage Rent

Based on operations, a total of 565,546 in adjusted Gross Revenues after costs of operations are available for distribution for the July period. These revenues are distributed as follows:

<u>July 2009 Distributions</u>	<u>Actual</u>	<u>Budgeted</u>
Available for Distribution	\$565,546	\$460,655
Percentage rent for TIDA	\$537,269	\$437,622
Percentage rent reimbursed to JSCo for Playground Construction	0	
Total percentage rent to TIDA	\$537,269	\$437,622
Percentage rent for JSCo	\$28,277	\$23,033

This percentage rent breakdown reflects the current year split by TIDA/JSCo. Beginning with April 2005 disbursements, TIDA receives 95% of revenues after expenses, while the John Stewart Company percentage is 5% of the amount.

Options for Treasure Island Project

[illegible]

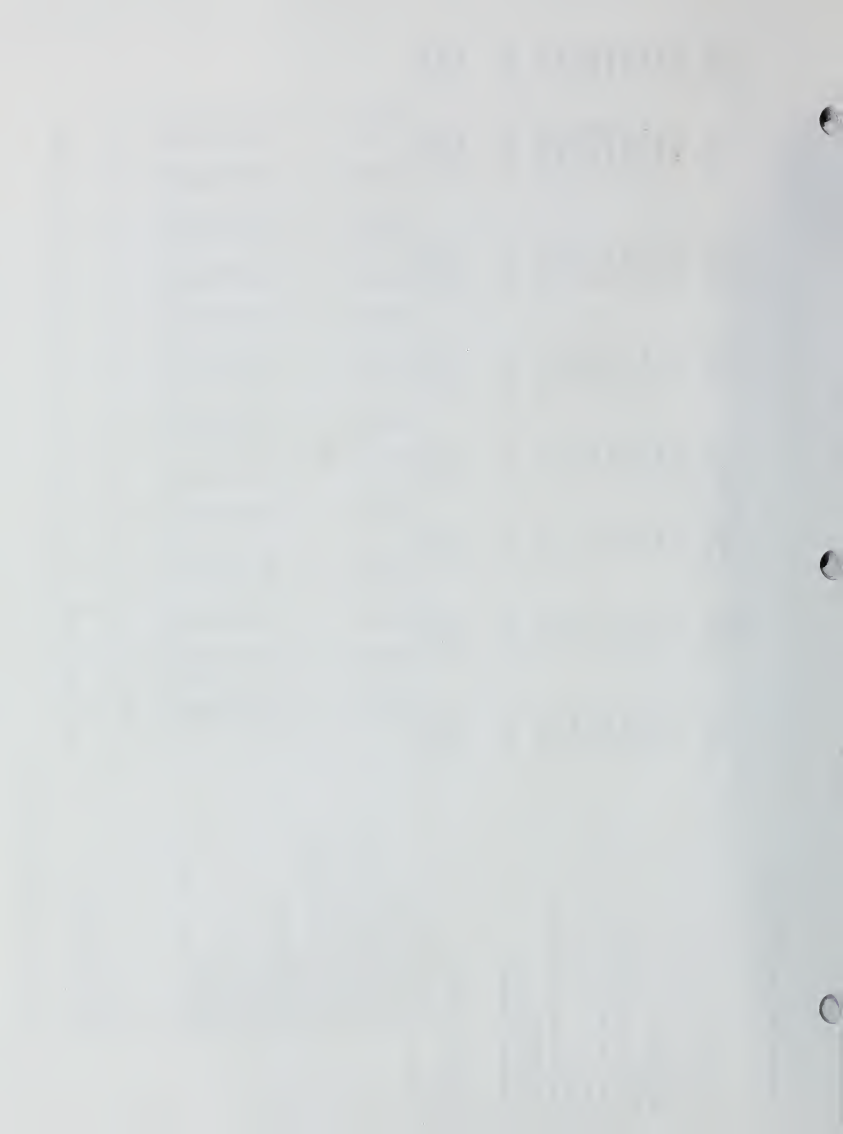
DRY	Draw 114	Draw 115	Draw 116	Draw 117	Draw 118	Draw 119	Draw 120	Draw 121	Draw 122	Draw 123	Draw 124	Draw 125	Draw 126
Units Leased and Occupied during month	576	576	576	576	576	576	576	576	576	576	576	576	576
Aggregate Units Leased and Occupied during month	540	530	540	536	530	529	531	531	539	529	536	516	498
Average Unit Rent													
6542 Repairs Contract	2,715	4,175	2,507	435	1,210	4,250	7,354	3,335	4,360	75	1,079	11,468	4,560
6543 Painting Maintenance (includes \$916 EOV adjustment in December, 2006)	3,121	8,499	15,714	19,974	18,054	10,003	5,463	5,452	23,363	11,071	0	11,468	6,757
6544 Elevator Maintenance	2,144	772	174	279	2,539	1,055	897	1,362	2,371	2,229	99	1,176	2,064
6546 Heating and Cooling (includes \$291 EOV adjustment in December, 2006)	285	112	179	3,022	1,886	3,051	971	248	2,022	2,713	0	294	0
6549 Repair Electrical Environmental	-4,750				4,750	0	1,158			978	3,820	1,053	807
6553 Appliance Repairs		302	4	835	85	0				830			
6555 VBI Maintenance Repair													
6559 Painting and Decorating (includes adj for August 2007)	2,966	2,366	2,169	7,383	1,990	19,980	6,481	3,094	1,812	-1,344	1,022	3,680	4,413
6565 Painting and Decorating (includes adj for August 2007)													
6570 Vehicle Lease	-107				819	159	916	1,514	205			325	0
6575 Vehicle Lease						0	0			732			1,527
6580 Misc. Oper and Maintenance	812	213	280			0	150	50	41	850			39,125
6593 Uniform/Laundry Services					34,714	8,232	40,733	17,690	16,272	93,589	21,798	56,287	38,125
6596 Fire Damage Costs	58,117	46,533	33,265	40,245	34,714	8,232	40,733	17,690	16,272	93,589	21,798	56,287	38,125
7200 Appliance Replacement (eligible for RRI Draw) (includes \$1,109 EOV adj)	3,896	14,463	8,471	9,996	14,462	4,707	8,964	7,711	10,869	33,068	4,351	35,000	33,125
7210 Appliance Replacement (eligible for RRI Draw) (includes \$1,109 EOV adj)	-19,990	5,375	33	51,379	4,054	48,234	41,521	16,225	35,181	16,877	20,579	44,430	2,975
7210 Elevator Replacement (eligible for RRI Draw) (includes \$9,320 EOV adj in Dec)	143,325	183,044	164,633	227,454	180,618	185,120	170,649	149,354	182,688	283,068	152,589	263,128	191,281
Subtotal: Operating and Maintenance													
6700 TAXES/FEES/GRANCE													
6711 Payroll Taxes	3,412	3,729	3,911	5,372	3,226	7,705	5,079	4,303	3,867	3,350	6,048	3,628	3,559
6712 Property Taxes	33,320	34,314	34,314	34,194	34,194	34,194	34,194	34,194	34,194	33,979	33,979	30,275	35,101
6720 Property Insurance (inc. adj for Insurance Claims and YTD adj)	0	0	0	0	0	0	0	0	0	0	0	0	0
6721 Fidelity Bond	3,391	3,427	3,537	3,276	3,404	3,773	2,299	2,481	3,041	3,112	4,621	3,142	3,152
6722 Business Interruption (includes \$11 EOV adjustment in Dec)	4,075	4,159	5,471	5,068	5,068	3,266	5,068	5,068	5,068	5,068	5,068	5,068	5,068
6723 Business Interruption and Loss (includes 40%)													
6724 Matching Certificate estimate													
6710 Professional Interest Tax	5,990	5,990	5,990	5,990	5,990	5,990	5,990	5,990	5,990	5,990	5,990	5,990	5,990
Base Rent Payment	58,220	45,220	45,220	45,220	45,220	45,220	45,220	45,220	45,220	45,220	45,220	45,220	45,220
Subtotal: Transportation	99,932	99,491	99,491	100,142	98,029	105,075	100,050	99,197	102,031	99,197	103,346	101,791	100,590
6800 SERVICE EXPENSES													
6891 Recreation Salaries	0	0	0	0	0	0	0	0	0	0	0	0	0
6892 Recreation Supplies (includes -\$150 EOV adjustment in Dec)	0	0	0	0	0	0	0	0	0	0	0	0	0
6895 Subtotal: Services	0	0	0	0	0	0	0	0	0	0	0	0	0
7000 Replacement Reserve Eligible Expenses													
7100 CORPORATE EXPENSES													
7100 Legal Expenses													
7110 Federal Income Tax													
7110 Corporate Expenses													
Subtotal: Corporate Expenses													
Adjustment for Operating Expenses actuals for 2005 (reversed in Dec 2004)													
TOTAL OPERATING EXPENSES	487,486	566,723	516,861	585,516	509,045	500,718	525,853	500,147	576,000	689,703	516,919	646,888	530,745
Monthly Expenses per Unit (on of Replacement Reserve)													
Less Reserves	11,550	11,850	11,550	11,500	11,860	11,650	11,850	11,560	11,560	11,560	11,500	11,560	11,560
Marketing Expenses													
TOTAL EXPENSES	499,036	578,573	528,410	607,016	520,905	512,068	537,703	511,710	587,560	691,263	528,419	658,448	542,305
Per Unit Monthly Expenses (occupied units - Net of Environmental)													
Per Unit Monthly Expenses (occupied units - Net of Total Expenses)													
TOTAL ENVIRONMENTAL EXPENSES	-4,739	0	0	0	4,730	0	0	0	0	979	3,598	0	0

ESTIMATE OF REVENUES AND OPERATING EXPENSES FROM OPERATIONS

[illegible]

	JULY			YEAR TO DATE				
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Total Revenue	1,107,851	1,016,781	91,070	8.96%	7,779,400	7,117,467	661,933	9.30%
Marketing	5,914	7,125	(1,211)	-16.98%	43,795	49,875	(6,080)	-12.19%
Administrative	83,359	77,117	6,242	8.09%	581,869	539,819	42,050	7.79%
Utilities	151,420	150,560	860	0.57%	1,034,869	1,053,920	(19,051)	-1.81%
O&M (incl insurance expense)	146,897	144,628	2,269	1.57%	1,031,758	1,012,396	19,362	1.91%
Tax Ins (inc. community room and finance exp)	53,924	59,041	(4,117)	-7.09%	382,076	406,287	(24,211)	-6.96%
Rent	46,636	47,245	(609)	-1.29%	325,232	330,715	(5,483)	-1.66%
Reserves	11,560	11,560	-	0.00%	69,360	80,920	(11,560)	-14.29%
Replacement (excl. anticipated draw)	42,596	59,850	(17,254)	-28.83%	508,768	418,950	89,818	21.44%
Total Expenses	542,305	556,126	(13,821)	-2.49%	3,977,726	3,892,882	84,844	2.18%
Prior Period Adjustments								
Available for Distribution	565,546	460,655	104,891	22.77%	3,801,674	3,224,585	577,089	17.90%
Available for Distribution	565,546	460,655	104,891	22.77%	3,801,674	3,224,585	577,089	17.90%
TIDA	537,269	437,622	99,647	22.77%	3,611,590	3,063,356	548,234	17.90%
JSCo	28,277	23,033	5,244	22.77%	190,084	161,229	28,855	17.90%

	JULY			YEAR TO DATE				
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Total Revenue	1,107,851	1,016,781	91,070	8.96%	7,779,400	7,117,467	661,933	9.30%
Marketing	5,914	7,125	(1,211)	-16.98%	43,795	49,875	(6,080)	-12.19%
Administrative	83,359	77,117	6,242	8.09%	581,869	539,819	42,050	7.79%
Utilities	151,420	150,560	860	0.57%	1,034,869	1,053,920	(19,051)	-1.81%
O&M (incl insurance expense)	146,897	144,628	2,269	1.57%	1,031,758	1,012,396	19,362	1.91%
Tax Ins (inc. community room and finance exp)	53,924	59,041	(4,117)	-7.09%	382,076	406,287	(24,211)	-6.96%
Rent	46,636	47,245	(609)	-1.29%	325,232	330,715	(5,483)	-1.66%
Reserves	11,560	11,560	-	0.00%	69,360	80,920	(11,560)	-14.29%
Replacement (excl. anticipated draw)	42,596	59,850	(17,254)	-28.83%	508,768	418,950	89,818	21.44%
Total Expenses	542,305	556,126	(13,821)	-2.49%	3,977,726	3,892,882	84,844	2.18%
Prior Period Adjustments								
Available for Distribution	565,546	460,655	104,891	22.77%	3,801,674	3,224,585	577,089	17.90%
Available for Distribution	565,546	460,655	104,891	22.77%	3,801,674	3,224,585	577,089	17.90%
TIDA	537,269	437,622	99,647	22.77%	3,611,590	3,063,356	548,234	17.90%
JSCo	28,277	23,033	5,244	22.77%	190,084	161,229	28,855	17.90%





Volume 1, Issue 7
September 2009

NEWS

This newsletter was prepared
By Good Neighbors of Treasure Island
and Yerba Buena Island
under consultation with:
Treasure Island Development Authority;
Mayor Gavin Newsom;
Owen Stephens, President,
Treasure Island Authority;
and Mirian Saez,
Director of Island Operations

INSIDE THIS ISSUE:

September Calendar	2
YMCA Update	3
Pageant of the Pacific	3
Save Our Slide	3
Healthy Air Walk	4
Faith Full Gospel	4
SFBike.org	4
Emergency Prep Survey	4
Redevelopment Update	5
JobCorps Corner	6
Family, TI Style	7
Announcements	8

TREASURE ISLAND NEWS

DEADLINES AND CONDITIONS

- All submissions of articles, announcements, and calendar items must be submitted to the Editor-in-Chief prior to the 15th of the month of publication for consideration. Email TreasureIslandNews@comcast.net
- The editorial board reserves final rights for inclusion and exclusion.
- Acceptable formats are text submitted in Microsoft Word, PowerPoint, Publisher, JPEG or PDF.
- We encourage positive ideas, solutions and creative problem-solving for our communal challenges; we choose to build community rather than find blame.

LEV'S ORIGINAL KOMBUCHA — A TREASURE ISLAND COMPANY

By Mark Connors

I remember in the 1990's when Kombucha, a drink with reported health benefits, started making the rounds. It seemed like everyone was brewing the concoction and sharing the "mother-culture" of the catalyst for the drink with their friends so they could make it themselves. For those of you unfamiliar with the drink, its history can be documented as far back as 2,000 years — all the way back to the Qin Dynasty where it was called the "Immortal Health Elixir."

A couple of months ago I had the opportunity to meet Owner Lev Kilun of Lev's Original Kombucha, a company right here on Treasure Island which produces this fermented drink. After a tour of his production facility a group of residents were treated to fresh samples, and I have to say Lev's product was much more than I expected.

Lev's Kombucha tastes a little like non-alcoholic Champagne

to me, but with a tart/sweet flavor that can be mixed with other natural flavors and juices to produce very different taste experiences.

Using fine teas and following a family recipe, Lev brews his Kombucha using modern technology in a very clean facility. He has developed a number of flavors that are available both on tap and by the bottle.

Per the company brochure, "Our Kombucha is raw and unpasteurized so that its probiotic effects are completely preserved. Lev's Original is made from green teas which contain antioxidants that prevent cell damage. Furthermore, Kombucha

contains beneficial acids such as acetic, lactic, and glucuronic acid that can aid in healthy digestion and enhance the body's normal toxin elimination processes.

Lev's Original Kombucha is available at a number of locations in the Bay Area including the Treasure Island Market and Deli at the front gate to the Island. Please visit their website at <http://www.levsoriginal.com/>.












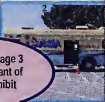





FOR VILLAGES OF TREASURE ISLAND RESIDENTS ONLY

In an effort to improve community safety and quality of life for all, The Villages at Treasure Island has increased monitoring of parking areas and enforcement of parking rules. All vehicles parked in residential parking spaces are required to obtain and display a valid permit.

If you haven't obtained a permit yet, please bring your vehicle registration, insurance and valid driver's license to the Management Office at Building One, 420 Avenue of the Palms during normal business hours. Vehicles parked in residential parking spaces without valid permits are subject to tow.

We understand the inconvenience this may pose for residents but we ask for your cooperation and assistance as we improve the safety and quality of life for residents of our island. Please inform your housemates and neighbors of this program.

September 2009

SUN	MON	TUE	WED	THU	FRI	SAT
		1 NA & AA Meetings 7pm to 8pm Every Tuesday Shipshape	2	3 Bay Bridge closure begins at 8pm	4	
	Happy Labor Day! 	7 Bay Bridge closure ends at 5am	8 Bookmobile every Thursday 10:30 to 4:30 Shipshape		 Patriot Day	12 
13	14	15	16		18	19
	Escape from Chubby Canyon—YMCA weight loss contest official weigh-in September 14-18—See Page 3					Good Neighbors and Island Watch Meeting Call (415) 520-6693 for more info
20	21		23		 Midnight Madness—See Page 3	26 Healthy Air Walk  See Page 4
	28 Yom Kippur	29 	30  TREASURE ISLAND			

September Fireworks on San Francisco Bay:

By Michael Nerney, Port of San Francisco

Date	Time	Location	Sponsor
Sat, Sept 5	9pm	Off Ferry Bldg	Allegria Entertainment
Thur, Sept 17	10pm	China Basin	PRA Destinations

Redevelopment Info Meeting Schedule:

—See article on Page 8 for more information.

Saturday	September 12	11:00am
Tuesday	September 15	7:00pm
Wednesday	September 16	3:00pm
Wednesday	September 16	7:00pm

Free admission to the California Academy of Science is available specifically for TI/YBI residents September 25-27, 2009 presented by Bank of America. See article on Page 8.

YMCA UPDATE

By Vicky Lee

The Treasure Island YMCA would like to welcome everyone to a healthful fall season! Starting September 1, the new hours will be as follows:

Weekdays: 11:00am – 10:00pm

Weekends: Noon to 5:00pm

The gym will be closed on Labor Day, September 7, 2009. Please remember to bring your YMCA membership card with you every time you come work out. **Membership is free.** If you still need a membership card, come see one of our staff and sign up today!



The Treasure Island Community Fundraiser "Save Our Slide Bake Sale" will be on September 12, from 11 AM – 3 PM. Come buy sweets at either the front gate, the playground, or in front of the Shipshape Building. Help raise funds to rebuild the slide at the new playground!

The summer Race to Slim Mountain was a huge success! The winner walked away with close to \$200. Join us for the fall episode: **Escape from Chubby Canyon**. Initial weigh-in week is September 14 – 18th. Contact Vicky at (415) 765-9037 for the rules and more information on how to sign up!

Come volunteer, walk, or just have fun at the American Lung Association's **Healthy Air Walk** on September 26. For more information on how to participate, email Vicky at vlee@ymcasf.org.

Member Appreciation Day is on Thursday, September 17. Members can come by and pick up a gift from the gym staff as a way of saying "thank you" for being a part of the YMCA family.



TREASURE ISLAND 1939: PAGEANT OF THE PACIFIC

By Peter Summerville, *Treasure Island Development Authority*

July 22 to October 18, 2009

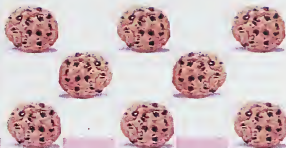
Wednesday to Sunday from 11:00am to 5:00pm

Presidio Officers' Club, 50 Moraga Avenue, The Presidio of San Francisco

Treasure Island 1939 celebrates the 70th anniversary of the Golden Gate International Exposition that marked the completion of the Golden Gate Bridge and the San Francisco-Oakland Bay Bridge. The Expo highlighted the cultural and economic life of the Pacific region. The fair's streamlined Moderne Pavilions, Art Deco monuments and vibrant arts and entertainment introduced new visions of architecture, art and design to the Bay Area and provided a welcome diversion in troubled times.

Presented by the Treasure Island Development Authority, the exhibit features black and white and early color photographs of the art, architecture, dramatic night-time lighting and grand landscapes of the exposition and the public's enjoyment of this memorable pageant of the Pacific. For more information, visit <http://www.presidio.gov/calendar/treasure.htm> or call the Presidio Event Line: (415) 561-5500.

COMMUNITY FUNDRAISER SAVE OUR SLIDE!



Help us raise the funds to rebuild our playground and install a new slide.
Purchase yummy treats at the:

Treasure Island Bake Sale
SATURDAY
SEPTEMBER 12
11AM-3PM

Three locations!
Main Gate
Shipshape
& the Playground



This community fundraiser is sponsored by the Treasure Island Development Authority (TIDA), Treasure Island Homeless Development Initiative (TIHDI), Job Corps, Good Neighbors of Treasure Island and Yerba Buena Island, the Treasure Island YMCA, and the Boys and Girls Club.

EMERGENCY PREPAREDNESS SURVEY

In any emergency or disaster, members of the community can be a valuable resource and asset throughout the response and recovery process. The Treasure Island Development Authority is working on an appropriate method to pre-identify community members with specific professional skills who may be of assistance to City response and recovery efforts on Treasure and Yerba Buena Islands.

Though all members of the community have abilities and skills to offer, TIDA is initially focusing this program on identifying certain occupations with direct relation to the Emergency Response functions of the City and County of San Francisco's emergency response operations.

If you have professional training or expertise and voluntarily wish to be contacted by TIDA staff for follow-up, please indicate your area of professional experience below and provide your name, daytime telephone number or email address where you can be contacted.

- ☐ City and County of San Francisco (CCSF) employee
- ☐ Medical and/or health professional
- ☐ Construction and/or building engineering
- ☐ Non-CCSF public safety employee
- ☐ Language other than English
- ☐ TI or YBI resident

Name: _____

Phone number: _____
()

Email address: _____

Complete and return surveys to:
Peter Summerville
Treasure Island Development Authority
410 Avenue of the Palms
Building 1, 2nd Floor
San Francisco, CA 94130
(415) 274-0665 phone
(415) 274-0299 fax

HEALTHY AIR WALK AND TREASURE HUNT

By Lindsay Space

COME HUNT FOR TREASURE at the American Lung Association in California's Healthy Air Walk & Treasure Hunt Saturday, September 26, 2009 on Treasure Island in San Francisco Bay

Breathing dirty, unhealthy, and smoke-filled air sends people to the hospital, stunts the development of children's lungs, and can even be deadly. Join the Healthy Air Walk & Treasure Hunt to help everyone breathe easier.

Sleuth Booths along the walk route give kids from ages 6 to 60 the chance to play games and gather clues in the hunt for treasure and prizes!

Family, Friends & Coworkers will enjoy learning what we all can do to improve the air we breathe and help people who struggle to breathe, especially those with asthma, emphysema and lung cancer.

The 3 mile loop around Treasure Island offers incomparable gorgeous views of San Francisco, the East Bay Hills, and the new Bay Bridge, *still under construction.*

While there is no registration fee to participate in the Healthy Air Walk & Treasure Hunt, teams and individuals are encouraged to register and fundraise to **"Fight the Facts."**

FACT: 20,000 Californians die prematurely each year due to air pollution.

FACT: One American dies every 4 minutes from COPD which includes emphysema and chronic bronchitis.

FACT: Lung cancer kills more people than breast, colon and prostate cancers combined, and nearly 30% of women with lung cancer have never smoked.

FACT: Asthma is #1 reason children are hospitalized.

Register today at www.HealthyAirWalk.org!

For more information, including general and Sleuth Booth sponsorship opportunities, contact Lindsay Space at LSpace@alac.org or (510) 893-5474.

We'll see you at the Treasure Hunt on September 26!

NOW ON TREASURE ISLAND! THE LED BY FAITH FULL GOSPEL NONDENOMINATIONAL CHURCH

Faith Fellowship Ministries International, 1998 — A Church Where Everyone is Somebody!

Located at the Treasure Island Library in Building 265. Come through the gate to the Avenue of the Palms and make a right at the stop sign onto California Avenue. Make a left to Building 265 behind the chapel.

Sunday School 9:30am — 11:00am ♦ Sunday Worship 11:00am ♦ Bible Study Wed. at 6:00pm

*"Don't Miss Your Miracle"
For with God nothing shall be impossible (Luke 1:37)*

For more information please contact: Bishop Rachelle R. Pierson at (925) 752-5861.

REQUEST A BIKE RACK ANYWHERE

By Neal Patel, Community Planner, San Francisco Bicycle Coalition

Just wanted to let you know that the City of San Francisco is in the final stages of getting its Bike Plan cleared - that means new bike lanes will be striped and bike racks will be installed. We at the San Francisco Bicycle Coalition have a handy tool to request a bike rack be installed anywhere: sfbike.org/fix. Please pass this on to anyone in the Treasure Island community so that people can request a rack be installed in the places they need it most. People can request one on any public street, though staff will make sure there is enough room and make sure the property/business owner doesn't object for some reason. I am not sure when racks will start to be installed, and how long the "wait-list" is but it would be good to get on that list now!

PUBLIC ANNOUNCEMENT

ISLAND REDEVELOPMENT

CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY

ONE AVENUE OF THE PALMS,
2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130(415) 274-0660 FAX (415) 274-0289
WWW.SFGOV.ORG/TREASUREISLANDMIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

September 02, 2009

Dear Resident:

The Treasure Island Development Authority ("TIDA") will be holding informational update meetings on the redevelopment of the Island to assist the residents in better understanding the planning and approval process. Identical meetings will be held at the Ship Shape Building, 850 Avenue I, at the following dates and times, hopefully allowing you to attend one:

Saturday September 12th at 11:00am
Tuesday September 15th at 7:00pm
Wednesday September 16th at 3:00pm
Wednesday September 16th at 7:00pm
Thursday September 17th at 7:00pm

Representatives of TIDA, property management and the development team will be at the informational meetings to provide information and answer questions regarding the process, proposed project and timing. TIDA would like to invite your household to attend at least one of these meetings.

If you have any questions regarding the meetings, please contact Marianne Mazzocco Thompson at 415.274.0662. We look forward to seeing you at one of the informational meetings.

Sincerely,

A handwritten signature in dark ink, appearing to read "Owen Stephens".

Owen Stephens,
President, Treasure Island Development Authority Board

A handwritten signature in dark ink, appearing to read "Mirian Saez".

Mirian Saez,
Director of Island Operations, Treasure Island Development Authority

A handwritten signature in dark ink, appearing to read "Jack Sylvan".

Jack Sylvan,
Director, Joint Development, Mayor's Office of Base Reuse and Economic Development



VISIT THE GOOD NEIGHBORS WEBSITE

NEWS AND INFORMATION ABOUT TREASURE ISLAND AND YERBA BUENA ISLAND

www.TreasureIslandSF.org

This site contains Good Neighbors bylaws, organizational information, membership application form, newsletters, a resident resource handbook, a calendar and other items of interest to the members, prospective members, and the media. www.TreasureIslandOnline.net will also continue to be a resource of current and upcoming events for the Islands.

JOB CORPS CORNER PROGRAM AND STAFF FEATURE

Job Corps would like to acknowledge **Krista Vendetti- STARS Coordinator** for her dedication in supporting students via the services of the STARS Program.

When asked what motivates her, Krista replies: "the students- seeing them succeed" We also acknowledge Olivia Naquin. This week, these two students embody the **CAREER SUCCESS STANDARD - "CAREER AND PERSONAL PLANNING"** Ms. Patterson and Ms. Naquin both attend the STARS tutoring program voluntarily twice a week (evenings) to work on increasing Math TABE scores.



Tutor Krista Vendetti to the right; seen with student Dameisha Patterson. Dameisha voluntarily attends tutoring twice a week to improve her Math TABE score.



Ms. Dameisha Patterson (left) and Ms. Olivia Naquin embody the JobCorps Career Success Standard.

JOB CORPS COMMUNITY RELATIONS COUNCIL FORMED

By Wilhelmina Parker, MA, COCM, SPHR



The fine dining area was the hub of community and collegiality on Thursday, August 20, 2009. More than 20 member organizations and resident interest groups congregated together. In attendance were the leadership of the YMCA, CALTRANS (MUNI); Swords to Ploughshares, Catholic Charities, the San Francisco Police Department, Life Learning Academy, Good Neighbors (Neighborhood Association) of Treasure Island and Yerba Buena Island, the San Francisco Fire Department, Innovations, Treasure Island Homeless Development Initiative, the Villages, and a host of other organizations.

Center Director Dave Miller reiterated the leadership vision of "Good Neighborliness." Not in attendance, but sending well wishes were the leadership of GLIDE & Treasure Island Development Authority. A poignant moment of collaboration enhanced the positive energy permeating the meeting when Ms. Melanie Williams, island resident, expressed heartfelt appreciation for Treasure Island JobCorps' commitment to community relations.

Enhancing the activities was the delicious luncheon and excellent service provided by JobCorps Advanced Culinary students under the guidance of Chef Huber and Chef Valdet. Director Wilhelmina Parker expressed her appreciation after lunch by toasting Chefs Valdet and Huber for modeling customer service, responsiveness and expertise in coaching the culinary crew to excellent service!

The Community Relations Council (CRC) was formed to:

1. Meet regularly to establish and develop relationships with members of the TI community.
2. Inform members about the projects of Treasure Island Job Corps.
3. Provide data on changes in rules and procedures, or activities that may affect the community.
4. Plan events of mutual interest to the community and Treasure Island Job Corps.
5. Establish and developing relationships with members of the community for the purpose of providing job opportunities and collaboration avenues for Job Corps graduates.

The CRC will meet quarterly on the 4th Thursday. The next meeting is Nov 19, 2009 on the JobCorps campus. TI residents and organizations are welcome. We have a standing group of participants presently and we are looking to grow it even further. A list of participants, a Council Charter, Bylaws, etc. will soon be forthcoming. For immediate information, please contact: parker.wilhelmina@jobcorps.org.

FAMILY, TREASURE ISLAND STYLE



by Joy Mead

Once upon a time there were three people who lived on Treasure Island. One was a big grown lady. She was 61 years old. Her name was Lee. She lived next door to the little girl. She was five years old. Her name was Joy. There was a little tiny, tiny fluffy doggie named Googs. There was a big, big, big strong man who was named Michael. These people were better than friends, they were family. They were really related. That big man always had their backs. The big 61 year old lady was the godmother of the little 5 year old girl. And the little fluffy doggie was the godbrother of the little girl. The big strong man was the little girl's father. Now I am that little girl and I like living on Treasure Island.



WOULD YOU LIKE TO HELP WITH THE KIDS' READING CLUB ON TREASURE ISLAND?

by Lee Davis

The Treasure Island Kids Reading Club is held on Northpoint Drive, and has about a dozen kids from Mariner and Exposition Drives as well. The children range in age from two to ten years old. We have a bookshelf full of books donated by Project Night-Night.

The kids do most of the reading out loud and they are amazing. They have all increased their reading level by one grade or two grades. And most important of all is that they now love to read. The kids also tell stories, and now they are writing stories, like the story above by Joy Mead in this newsletter.



Joy and some of her happy and satisfied listeners and readers.

Books are Great!

We love to read!



...Getting cozy and hunkering down for a good read!

Right now I am the only adult in the Reading Club and unfortunately I have to move off of Treasure Island. So I hope that some of you who would enjoy these wonderful children and who love to read and help others to read, will contact me to help out, no matter how much or little time you have. The kids meet on any day (but not every day) after school, around 4pm.

If you would like to help with the TI Kids Reading Club, the kids would appreciate it very much! Email Lee Davis at: good_neighbors@comcast.net.

We're on the web!
www.TreasureIslandSF.org

How To SUBSCRIBE

For residents of the Villages,
send an email to:

villages@jisco.net

with the subject "Email Notices
Sign-Up." and include your name,
address and contact information.
Staff will first verify the
information, and then send the
latest community news.

For all other residents, agencies,
staff and friends, please send
your request to:

Good_Neighbors@comcast.net

Please encourage and tell your
housemates and neighbors how
to sign up.

Everyone is Welcome!



Next Quarterly Meeting
September 19, 2009
11:00am-1:00pm
At the Ship Shape
Call (415) 520-6653
for more information.



ANNOUNCEMENTS

- The Island Watch meeting will be combined with the Good Neighbors quarterly meeting on September 19.
- The Free Wi-Fi Internet Service has been delayed. Visit www.treasureislandsf.org for periodic updates.
- The opening of the Treasure Island car wash has been delayed due to theft of some of the equipment. Stay tuned.



ACADEMY FREE DAYS

Free admission is available to all California Academy of Science visitors on the third Wednesday of every month, presented by Wachovia.

Admission is on a first come, first served basis, and early arrival is recommended due to the likelihood of high demand. Note: final entry to the museum on free days is 4pm. There will be no members-only entrance on free days.

Free admission to the California Academy of Science is available specifically for TI/YBI residents September 25-27, 2009 presented by Bank of America.

Each visiting adult is limited to six children for free entry and should provide one of these documents as proof of residency:

- Postmarked envelope, postcard, or magazine label with name and date
- Driver's license or ID card issued in past six months
- Utility bill (gas/electric/cable), bank statement, or letter from a government agency that has your name and home

SHOUT OUT!

Life isn't all work, business and meetings! - we use this column to acknowledge island residents and guests who are doing great things. If you would like to recognize a friend or neighbor, please send a shout out via email to: TreasureIslandNews@comcast.net.

♦ We bid farewell to Luis and Brandon who have left the Island after 4 years ♦ Congratulations to Chris for winning the YMCA Race to Slim Mountain weight loss challenge! Chris walked away with \$177.40 after losing more than 8 lbs. Join us for our next competition, beginning mid-September; YOU could be our next big winner! ♦ Three cheers and blessings to Sacir, our very competent maintenance honcho, for always being helpful and kind to all of us here on Treasure Island! He is a great guy! ♦ Good Neighbor alert: Wilhemina is working hard to bring Job Corps into the community and is doing an excellent job ♦ Happy Birthday to Melanie! ♦ Thank you Margaret for the great community BBQ - it was a big success. ♦ Congrats Melanie for successfully completing her program ♦ Joanna is so proud of her granddaughter Kennedy for being selected as National Junior Tennis League Park Ambassador. Kennedy attended the TI Boys & Girls Club last summer which she enjoyed ♦ Thanks to Marianne who gave Kennedy more than 20 books which she read over the summer by giving up TV! ♦ A big thank you goes to all who planned and participated in our first National Night Out: the police and fire departments, Vicky, Wilhelmina, Marianne, Troy, YMCA, TIDA, TIHDI, Catholic Charities, Good Neighbors and more ♦





Volume 1, Issue 6
August 2009

NEWS

This newsletter was prepared
By Good Neighbors of Treasure Island
and Yerba Buena Island
under consultation with:
Treasure Island Development Authority;
Mayor Gavin Newsom;
Owen Stephens, President,
Treasure Island Authority;
and Mirian Saez,
Director of Island Operations

INSIDE THIS ISSUE:

<i>August Calendar</i>	2
<i>Job Corps</i>	3
<i>Emergency Survey</i>	4
<i>YMCA Update</i>	4
<i>Redevelopment</i>	4
<i>Bridge Closure</i>	5
<i>National Night Out</i>	6
<i>Shout Out!</i>	6
<i>TI B&G Menu</i>	8

TREASURE ISLAND NEWS

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TreasureIslandNews
@comcast.net

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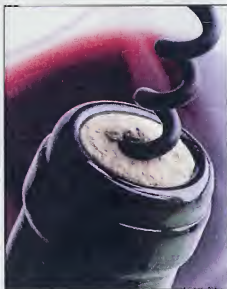
TREASURE ISLAND WINES

Treasure Island Wines (TIW) is an urban winery where maverick winemakers craft small batch artisan wines. TIW's bonded wine production and storage facility offers a full and flexible range of services to accommodate the needs of these dedicated winemakers including an intimate tasting, sales and events area to showcase wines to the public.

TIW's unique and convenient facility is centrally located between the Sonoma, Napa, Livermore and Santa Cruz grape growing regions. It offers an ideal geographic location for wine production, storage and predestination staging. In addition, TIW's year-round naturally cool location provides an ideal low carbon impact environment. With its perfect climate and easy access, TIW provides wine professionals not only the flexibility to fulfill their practical needs but to realize

their wine making creativity with a green conscience.

We welcome the public during tasting room hours and by appointment. Come meet the



winemakers who are eager to share their wines and knowledge with you. While you're there, you can also experience the unmatched bay views and unique history of Treasure Island. Treasure Island Wines offers a

unique authentic wine tasting experience without the long drives or parking hassles and expense of the city center.

Relax with our friendly winemakers and staff at our tasting room in an unhurried atmosphere in full view of where great wines are made, shared by those who made them.

There are currently five notable artisan wineries residing in Treasure Island Wine's winemaking warehouse. With a varying selection of over twenty different wines available for tasting and purchase, there is sure to be something new to discover and enjoy. You'll be able to experience renowned vintages of familiar varietals such as Russian River chardonnay, Alexander Valley cabernet sauvignon and Sonoma Coast pinot noir, but also rare and obscure wines such as marsanne, roussanne, mourvedre, petite sirah and carignane from around the state.

Phone: (415) FYI-WINE
Or (415) 394-9463

TREASURE ISLAND SFPD OFFICE HAS MOVED

The police office has moved to another location in Building One and is not accessible to the public. As such you are reminded of the following ways to contact the police:

Emergency calls. 9-1-1

Emergency calls from cell phone ... (415) 553-8090

Non-emergency calls (415) 553-0123

You may file an online police report for any of the categories listed below as long as you have an email address. Once approved, a copy of the police report will be emailed to you:

- Lost property
- Theft
- Vandalism and graffiti
- Vehicle tampering
- Vehicle burglary
- Harassing phone calls

Don't have an email address or computer?

No problem.

Simply call
3-1-1
or outside San Francisco call
(415) 701-2311.



August 2009

		 <p>NA/AA Meeting Every Tuesday 7pm-9pm at Shipshape</p>	 <p>Bookmobile Every Thursday 10:30am-4pm YMCA Parking</p>	1 Have you checked out the TI Bar & Grill yet? Open Daily 10am-8:30pm.		
2 3 LEARN MORE ABOUT NATIONAL NIGHT OUT		 <p>See Page 6</p>	5 	6 	7 	8
9	10	11 NA/AA Meeting Every Tuesday 7pm-9pm at Shipshape 	12	13 	14  Island Crime Watch Meeting 7pm - 8pm At Shipshape	15  End-of-Summer Block Party YMCA Gym See Page 3
16 August 23 is the last day to visit the main branch of the San Francisco Public Library to see artifacts from the Worlds Fair held on Treasure Island in 1937 — The exhibit is FREE 	17	18 NA/AA Meeting Every Tuesday 7pm-9pm at Shipshape 	19	20 12 noon-2pm Job Corp Community Relations Meeting Job Corps Gym	21 NEIGHBORHOOD CRIME WATCH  GREETINGS WE WARMLY INVITE ALL NEIGHBORHOOD ACTIVITIES TO THE SUMMER PARTY	22 Disaster Prep 101 THE ULTIMATE GUIDE TO EMERGENCY READINESS 
	24	25 NA/AA Meeting Every Tuesday 7pm-9pm at Shipshape 	26	27 	28	29 Are you prepared for emergencies? Please fill out the survey on Page 4.
30	31	Coming up in the next months . . . Labor Day holiday and Bay Bridge closure California International Dragon Boat Races American Lung Association Healthy Air Walk Alzheimer's Memory Walk Treasure Island Lodi Wine Festival September 3 through 8 September 26 & 27 September 26 October 10 October 11				

5: 13: 20: 27:

SHOUT OUT, SHOW UP & SHARE LIFE!

Treasure Island

Job Corps Center

Success Lasts a Lifetime!

An update from your Neighbors at
Treasure Island Job Corps
By W. Parker, MA, COCM, SPHR

Thank you for your indulgence last month as I introduced myself as part of the new team at Treasure Island Job Corps following the change in leadership from ResCare to Adams & Associates. It's been a month now, and I've been observing, watching and learning about YOUR island. Now, it's time to say adieu to being the watcher and observer and join in as part of the community on OUR island.

Shout Out: I've been impressed by several of the Island organizations' efforts to be good neighbors. I've benefited from their efforts. To Vicki from the YMCA: thanks for the pizza, the company and the "buzz"; To Mark from "Good Neighbors" - thanks for the endless chairs and tables you hefted, so that I could sit and eat at the table, listen, and participate.

It's time for the Treasure Island Job Corps community to do our part as we open our doors to you; our friends and neighbors.

Show Up: We cordially invite Island residents and organizations to participate as colleagues and collaborators on the Treasure Island Job Corps Community Relations Council. The meetings are held the third Thursday of each month from 12:00 noon to 2:00pm. The location is determined month-by-month. Lunch will always be served. This month's meeting is on:

**Thursday, August 20
12 noon to 2:00pm**

at the Treasure Island Job Corps Gym

To get to the gym, turn into the main entrance of TI on California Street. Stop at the guard booth and sign in. The guard will direct you to the green building to your right, about 100 feet from the guard shack.

OUR job description is simple:
We'll meet, eat, greet, and treat. In other words we'll talk a bit, collaborate a ton, maybe munch as much (preferably some stuff with a sizzle); and treat ourselves to discovering what we as a group of people can do to build the most valuable island commodity - the community.

Share Life: It would be lovely to accomplish these goals together:

- Communicate about "What's Up?"
- Plan activities that strengthen and reinforce family and community.
- Engage in social and recreational activities to build camaraderie and fun.
- Participate in events that bring awareness to the "green" initiatives.
- Collaborate in empowerment activities to enhance diversity awareness, cross cultural communication and collaboration across boundaries.
- Increase awareness around issues that impact global health and wellness.
- Define ways to participate in civic awareness activities.
- Strategize to tap into and serve the youth voice in meaningful ways.

But we'll start simply - one bite at a time. If you'd like to be a part of this send an email to:

parker.wilhelmina@jobcorps.org

or call me at either my office at (415) 277-2336 or my cell phone (510) 542-7817 and indicate that you'd like to be a member.

Thanks again for your hospitality. Please allow us at Treasure Island Job Corps to do our part as Good Neighbors.

<http://www.jobcorps.org>

<http://treasureisland.jobcorps.org>



The San Francisco Public
Library's San Francisco
History Center presents
A Trip to the Fair, 1939:

*The Golden Gate International
Exposition in San Francisco*

This exhibit marking the 70th anniversary of the Golden Gate International Exposition on Treasure Island features original souvenirs, art work, photographs and ephemera from the collections of the San Francisco History Center.

July 1 to August 23

SF Main Library

Sixth Floor

outside the SF History Center

100 Larkin Street

(at Grove)

<http://sfpl.org/news/exhibitions.htm>



EMERGENCY PREPAREDNESS SURVEY

In any emergency or disaster, members of the community can be a valuable resource and asset throughout the response and recovery process. The Treasure Island Development Authority is working on an appropriate method to pre-identify community members with specific professional skills who may be of assistance to City response and recovery efforts on Treasure and Yerba Buena Islands.

Though all members of the community have abilities and skills to offer, TIDA is initially focusing this program on identifying certain occupations with direct relation to the Emergency Response functions of the City and County of San Francisco's emergency response operations.

If you have professional training or expertise in one of the areas listed below and voluntarily wish to be contacted by TIDA staff for follow-up, please indicate your area of professional experience and provide your name, daytime telephone number or email address where you can be contacted.

- ☐ City and County of San Francisco (CCSF) employee
- ☐ Medical and/or health professional
- ☐ Construction and/or building engineering
- ☐ Non-CCSF public safety employee
- ☐ Language other than English
- ☐ TI or YBI resident

Name: _____

Phone number: _____
(_____) _____

Email address: _____

Complete and return surveys to:
Treasure Island Development Authority
One Avenue of the Palms
Building 1, 2nd Floor
San Francisco, CA 94130
(415) 274-0665 phone
(415) 274-0299 fax

YMCA UPDATE

Y Greetings from the YMCA! With the summer coming to an end in a few short weeks, we invite you to our End-of-Summer Block Party on Saturday, August 15 at the gym! There will be food, music, games, and sports tournaments for the whole family! Come see who will be crowned champion of the Race to Slim Mountain, and join everyone for free fun.

The gym is open from 10 am to 10 pm weekdays, and from noon to 5 pm on weekends unless otherwise posted. Membership is free for everyone - just come see one of the YMCA staff members to sign up today! Children and teenagers under the age of 18 need to have an adult guardian present to be signed up.

Enjoy the rest of your summer!

Cheers,
Vicky Lee
Treasure Island Community Organizer
(415) 765-9037 (office)
(714) 482-7772 (cell)
vlee@ymcasf.org

DO YOUR REDEVELOPMENT HOMEWORK

By Mark Connors

The two main questions that come up again and again regarding redevelopment on TI/YBI: "When will it begin," and "Will I be able to stay?"

Redevelopment will begin at some point after the property is transferred from the Navy to the City. At this point, no one is certain when that will be, but the Treasure Island Development Authority is working with the U.S. legislature and the U.S. Navy to facilitate the transfer as soon as possible. Transferring a decommissioned base is complicated business with many details and agreements to work out.

"Will I be able to stay?" is a bit more involved. In February, 2007 the "Development Plan and Term Sheet for the Redevelopment of Naval Station Treasure Island" was published in PDF format and can be found on the TIDA website. **You can find the document on www.TreasureIslandSF.org in the resource links menu.**

On pages 36-37 you will read:

Existing Households: All existing tenants on a single lease who occupy an Existing

Market Rate Unit on Treasure Island or Yerba Buena Island on the qualifying date that will be set forth in the DDA (the "Qualifying Date") are considered "Existing Households."

Existing Households will be provided a priority option to buy or rent a new home on Treasure Island or Yerba Buena Island and will have access to relocation resources provided by government agencies and TIDC as described below, provided their lease is active and in good standing on the Qualifying Date and they continue to maintain their lease in good standing thereafter. Relocation assistance will be provided under applicable law including, without limitation, the California Community Redevelopment Law.

Note that the "Qualifying Date" has not been set, so the above would seem to apply to all Market Rate Renters to date.

Also on page 32:

Development plans for the Project have always assumed the continued occupation of the Existing Housing on the Islands throughout the early phases of construction, which will include environmental remediation, geotechnical stabilization, Infrastructure Improvement, and the development of new housing and commercial services. The Authority and TIDC expect that Existing Market Rate Units will continue to be managed by either JSCO or another housing management company to be determined jointly between the Authority and TIDC. New or existing market rate housing units will be made available on the Islands prior to relocating residents from the Existing Market Rate Units.

So it seems from this document that if you are living on the Island (on the lease) at the time of the Qualifying Date, are in good standing and remain in good standing at the time development, you will be eligible to buy or rent.

If you are like me, you have plenty of questions and concerns. In September there are going to be a number of meetings hosted by TIDA to discuss redevelopment and to address your concerns. Keep an eye on this newsletter, the TIDA website and www.TreasureIslandSF.org for announcements about the meetings.

In the meantime, I recommend that you do your homework and make yourself familiar with the "Term Sheet" document mentioned in paragraph three.

PUBLIC ANNOUNCEMENT WEEKEND CLOSURE OF THE EASTBOUND INTERSTATE 80 ONRAMP AT YERBA BUENA ISLAND

The Labor Day weekend closure of the San Francisco-Oakland Bay Bridge will begin at 8:00 pm on Thursday, September 3, 2009. The bridge will reopen by 5 am on Tuesday, September 8, 2009.

Access to Yerba Buena Island and Treasure Island for residents, employees and visitors will be maintained from San Francisco via special permit. Access passes will be available in late August through the Treasure Island Development Authority (TIDA). TIDA will assign one access pass per vehicle. Access passes should be displayed on the driver's side of the vehicle's dashboard during the closure. To receive an access pass, please call TIDA at (415) 274-0660.

Taxis will be able to get passes through taxi dispatch offices.

MUNI Route 108 bus will follow its regular schedule during the closure.

For questions regarding the Labor Day weekend bridge closure, contact Public Information Officer **Margena Wade** at (415) 286-1553 or contact the Bay Bridge Public Information Office at (510) 286-7167.



For project updates, please visit www.baybridgeinfo.org, featuring BayBridge360.

TAKE A VIDEO TOUR OF THE NEW BAY BRIDGE! On www.baybridgeinfo.org, join Bart Ney for a tour of the construction projects now underway on the new East Span of the Bay Bridge. The series of massive construction and engineering projects to seismically retrofit and replace the Bay Bridge is the largest and most challenging public works effort in California history.

The Bay Bridge
WILL BE
CLOSED
Labor Day Weekend

8pm Thursday, Sept. 3
To 5am, Tuesday, Sept. 8

**THE
BAY BRIDGE
WILL BE
CLOSED
LABOR DAY
WEEKEND**

www.baybridgeinfo.org

The graphic features a background image of the Bay Bridge. On the left, there is a graphic of a road sign that reads "The Bay Bridge WILL BE CLOSED Labor Day Weekend". Below the sign, the closure times "8pm Thursday, Sept. 3 To 5am, Tuesday, Sept. 8" are written in a stylized font. On the right, the text "THE BAY BRIDGE WILL BE CLOSED LABOR DAY WEEKEND" is displayed in large, bold, white letters with a blue outline. At the bottom right, the website "www.baybridgeinfo.org" is shown in white text on a red rectangular background.

We're on the web!
www.TreasureIslandSF.org

How To SUBSCRIBE

For residents of The Villages
Send an email to:
villages@jsoo.net with the
subject "Email Notices Sign Up,"
and include your name, address,
and contact information. Staff
will first verify the information,
and then send the latest
community news.

For all other residents, agencies,
staff, and friends please send
your request to:

Good_Neighbors@comcast.net.

Please encourage and tell your
roommates and neighbors how

Everyone is Welcome!



The Next Quarterly
Meeting will be in
September 2009
See the next issue for
date, time and location.
Call (415) 520-6653
for more information.



Open daily from 10:00am to 8:30pm
(415) 627-9060

MENU SELECTIONS: Golden French Fries or Garlic Fries with parsley & parmesan; Classic Caesar Salad with chopped romaine hearts, baked croutons, parmesan with optional chicken; Garden Salad with tomatoes, cucumbers, carrots and choice of ranch, blue cheese or creamy Italian dressing; Roast Beef and cheddar baguette sandwich; grilled marinated Chicken Baguette sandwich with avocado, basil aioli, lettuce, tomato and onion; Turkey, Bacon and Swiss on whole wheat sandwich with basil aioli, lettuce, tomato and onion; grilled Garden Burger with optional cheddar or blue cheese; grilled Hamburger with optional cheddar, blue cheese or bacon; Breakfast Burrito with salsa, either plain or with bacon; breakfast sandwich; plus a fine selection of Beer, Wine and Cocktails.

NATIONAL NIGHT OUT- SAVE THE DATE TUESDAY, AUGUST 4, 2009

Come join neighbors, local fire fighters, police officers, the YMCA, Good Neighbors of Treasure Island, Treasure Island Development Authority and more as we observe Treasure Island's first "National Night Out." The event will be held at the Treasure Island Fire Station, corner of Avenue D and 10th Street, starting at 6:00 pm. Hotdogs and other refreshments will be provided, as well as information about crime prevention.

Come and meet other residents concerned with making Treasure Island a safer place for all of us.

National Night Out, 'America's Night Out Against Crime,' was introduced by the National Association of Town Watch (NATW) in 1984. It is the brainchild of NATW Executive

Director Matt A. Peskin.

In an effort to heighten awareness and strengthen participation in local anti-crime efforts, Peskin felt that a high-profile, high-impact type of crime prevention event was needed nationally. At that time, he noted that in a typical "crime watch community," only 5 percent to 7 percent of the residents participated actively. He proposed a national program to be coordinated by local crime prevention organizations that would involve entire communities at one time. The first National Night Out was held in 1984 - with the event culminating on the first Tuesday in August.

That first year, 400 communities in 23 states participated in National Night Out. Nationwide, 2.5 million

Shout Out!

Local YBI resident, Erin, will be competing in the Worlds Kiteboarding Championship this August 4-8 ♦ Congratulations to all of the Job Corps trainees who graduated this past July. ♦ Happy birthday, **Praise!** ♦ Mason says, "To all my friends and neighbors, everyone love everyone!" ♦ Quinn loves the new Treasure Island Bar and Grill—and wants everyone to know "I like the Caesar salad!" ♦ Goodbye to Manuel Sr., Manuel Jr., and Christina who are moving off-island after five years of being GREAT neighbors. ♦ Thank you to Seanda who organized and hosted a fabulously successful block party to bring her neighbors together.

Americans took part in 1984. The seed had been planted.

Participation has grown steadily. The 25th Annual National Night Out last August involved 37 million people in 15,449 communities from all 50 states, U.S. territories, Canadian cities, and military bases worldwide. This year, National Night Out 2009 is on August 4. Close to 16,000 communities, including Treasure Island and Yerba Buena Island are expected to take part. For more information, visit

www.nationalnightout.org

LEARN MORE ABOUT NATIONAL NIGHT OUT





SF Environment

Our home. Our city. Our planet.

GAVIN NEWSOM
Mayor

JARED BLUMENFELD
Director

June 29, 2009

Subject: Urban Forestry Council Annual Report Questionnaire

Dear Ms. Saez,

The Urban Forestry Council (UFC) is preparing this year's Annual State of the Urban Forest Report which is provided to the Board of Supervisors, the Mayor, and City department and agency heads to direct policies and funding that affect urban forestry in San Francisco, as required by Section 5.329(b) of the UFC Ordinance. To accomplish this, the Council is surveying City agencies and community groups about their tree planting, maintenance, management, and related planning activities.

Please complete the questionnaire and return it to the UFC Coordinator by Friday, July 17th, 2009.

The Mayor and Board of Supervisors will read the information you provide about your agency's tree management activities. This is an opportunity to outline your agency or organization's specific accomplishments and challenges. It is advantageous to provide detailed information; in addition to providing information to the City's policy makers, the information you provide will help meet reporting requirements to maintain San Francisco's new status as a "Tree City USA." As in the past, the Mayor and the Board of Supervisors will be notified if you do not respond.

If you are participating in this report for the first time, the Council strongly encourages you to fill out the attached questionnaire as thoroughly as possible.

If you responded in the past, the Council thanks you for your cooperation. Your input continues to be critical in the compilation of the Annual Urban Forest Report.

We will send you the final report, which incorporates the responses to this questionnaire. Please be advised that any information provided will be available to the public.

A staff member will contact you the week of July 6th to answer any questions you may have and help facilitate completion of the questionnaire. Please e-mail your responses to meiling.hui@sfgov.org. If you have any questions or comments, feel free to email or call Mei Ling Hui at 415-355-3731.

The Urban Forestry Council thanks you for your efforts in caring for San Francisco's trees and we look forward to working with you.

Respectfully,

Mei Ling Hui, Urban Forestry Council Coordinator

See Attachments: Urban Forestry Council Ordinance, Questionnaire



Annual Report to the San Francisco Urban Forest Council
July 1, 2008 through June 30, 2009

Your Organization/Agency:

Contact name/title:

Mailing address:

Phone:

Fax:

Email:

Please describe your organization/agency's urban forest related activities within the City and County of San Francisco

*Please include copies of any documents describing current policies, programs, or guidelines with this form.

1. What, if any, significant changes have taken place within your agency or organizations UF programs in the last fiscal year?
2. What are your major program areas?
3. How many urban forest related staff positions does your organization/agency have?
4. Please describe how your program staffing is structured.
5. Please describe how staff work plans are created.
6. Does your organization/agency work with other urban forest organizations/agencies? If so, how?
7. Does your organization/agency respond to, or work with, the general public? If so, how?
8. How are the services provided by your organization/agency tracked?
9. What are your organization/agency's reporting requirements and how are they met?

Please describe the portion of the urban forest which is the responsibility of your organization/agency.

1. How many trees is your organization/agency responsible for? (Approximate or known)
2. Please describe the location of the trees under the jurisdiction of your organization/agency.
3. What is the total open or landscaped area that your organization/agency is responsible for?
4. Does your organization/agency work with other urban forest organizations/agencies? If so, how?
5. Does your organization/agency respond to, or work with, the general public? If so, how?

Please describe your greatest need for the urban forest.

1. What is your greatest concern regarding the overall health, general care, or population of the part of the urban forest your organization/agency is responsible for?
2. What are the limitations of your organization/agency that affect the above concerns?
3. How could these concerns and limitations be addressed?
4. Does your organization/agency have adequate staffing and funding to properly maintain the part of the urban forest your organization/agency is responsible for?
5. If you responded "No" to question five, what would be adequate staffing and funding?

Annual Report to the San Francisco Urban Forest Council
July 1, 2008 through June 30, 2009

Please describe any legal mandates that affect your organization/agency's urban forest programs.

National mandates

State mandates

Local mandates

Other

Annual Report to the San Francisco Urban Forest Council
July 1, 2008 through June 30, 2009

What would you like to see the Urban Forestry Council work on?

List sources of funding for the current reporting period (7-01-08 though 6-30-09) for urban forest related activities in the City and County of San Francisco including, but not limited to, planting, pruning and removal of trees and repair to sidewalks.

Income: Please describe both the level of funding and the nature of funding (i.e. taxes, bonds, etc.)

City:
State:
Federal:
Foundation Grants:
Private Donations:
Total organization/agency budget for work in the City and County of San Francisco:

Expenditures: By program area

Budget for tree planting, include establishment period care if applicable:
Budget for tree care, including infrastructure maintenance if applicable:
Budget for education, volunteer programs or related programs:
Other expenses:
Total urban forest related budget for work in the City and County of San Francisco:

CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
ONE AVENUE OF THE PALMS,
2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND



MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

July 1, 2009

Ms. Stefanie Coyote
San Francisco Film Commission
1 Dr. Carlton B. Goodlett Place, Room 473
San Francisco, CA 94102

Dear Ms. Coyote,

Please be advised that the occupant of Administration Building Suite 200, "Open4Business Productions" has installed a kitchen sink and dishwasher unit inside Suite 200 in violation of the Sublease between the Treasure Island Development Authority and the San Francisco Film Commission. As you are aware, Section 8 of the Sublease states:

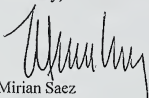
8. ALTERATIONS

8.1 Alterations. Subtenant shall not construct, install, make or permit to be made any alterations, installations or additions ("Alterations") in, to or about the Premises, without Sublandlord's prior written consent in each instance, which consent may be given or withheld in Sublandlord's sole and absolute discretion. Subject to Sublandlord's consent as provided above, any Alterations shall be done at Subtenant's sole expense (i) in strict accordance with plans and specifications approved in advance by Sublandlord in writing, (ii) by duly licensed and bonded contractors or mechanics approved by Sublandlord, (iii) in a good and professional manner, (iv) in strict compliance with all Laws, and (v) subject to all other conditions that Sublandlord may reasonably impose. In no event shall the construction, installation or the making of any Alterations impair the use or operation of the Property, or any portion thereof, or Sublandlord's or Master Landlord's access thereto. Prior to the commencement of any work on the Premises to construct any Alterations, Subtenant, at its sole expense, shall procure all required permits and approvals and shall promptly upon receipt deliver copies of all such documents to Sublandlord. No material change from the plans and specifications for any Alterations approved by Sublandlord may be made without Sublandlord's prior consent. Sublandlord and Sublandlord's Agents shall have the right to inspect the course of construction on the Premises at all times.

As sub-tenant of the Treasure Island Development Authority, it is the responsibility of the Film Commission to assure adherence to the requirements of the Sublease.

Please be aware that written consent was not provided by TIDA prior to the work in question taking place. Please also be aware that any work in the Administration Building and Hangar 3 may be subject to special requirements due to the buildings' designation on the National Register of Historic Places. Thank you for your ongoing attention to these matters relating to the "Open4 Business" sub-tenancy of Suite 200.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mirian Saez', with a stylized, flowing script.

Mirian Saez
Director of Island Operations

CC: Owen Stephens, President, Treasure Island Development Authority
Ed Lee, City Administrator
Eileen Malley, Office of the City Attorney



July 8, 2009

Ms. Mirian Saez
Treasure Island Development Authority
One Avenue of the Palms, 2nd Floor Treasure Island
San Francisco, CA 94130



FILM COMMISSION

LORRAE ROMINGER
PRESIDENT

MARLENE SHARON SARITZKY
VICE PRESIDENT

MELANIE BLUM

DENISE BRADLEY

PETER BRATT

DON M. CANADY

JOAN CHEN

MAURICE KAMBAR

ROBERT MORALES

JIM MORRIS

VILLY WANG

OFFICE STAFF

STEFANIE COYOTE
EXECUTIVE DIRECTOR

LAUREL BETTIKE BARSOITI
PERMIT COORDINATOR

CHRISTINE MUNDAY
PERMIT COORDINATOR

Dear Ms. Saez,

I am in receipt of your letter dated July 1, 2009 in which you have advised me that the occupant of Administration Building Suite 200, "Open 4 Business" has installed a kitchen sink and dishwasher unit inside Suite 200 in violation of the Sublease between Treasure Island Development Authority and the San Francisco Film Commission.

Dean Jones, Unit Production Manager for the production approached you directly and asked your permission to install the sink to which you responded, "Yes." At the time, the Sublease for the Premises had not been drafted and therefore not forwarded to the Film Commission or to the production.

The production thought your direct permission to install the sink was sufficient. Therefore, the Film Commission was unaware of the request (or the installation) and we could not advise the production that they needed to submit the request in writing for review and approval per the terms of our forthcoming Sublease and their Use Permit.

The production has now been made aware of this requirement and will be sure to comply in the future. While we are very grateful to your accommodating the requests of the production, if you are approached directly, please remind them that any requests regarding alterations to the facilities must be directed to the Film Commission.

Thanks, kindly.

Sincerely,

Stefanie Coyote
Executive Director, SF Film Commission

Cc. Owen Stephens, President, TIDA
Ed Lee, City Administrator
Jennifer Matz, Managing Deputy Director, EWD
Adine Varah, Office of the City Attorney
Lorrae Rominger, President, Film Commission



WWW.FILMSF.ORG

CITY & COUNTY OF SAN FRANCISCO
OFFICE OF THE MAYOR • CITY HALL • ROOM 473
ONE DR. CARLTON B. GOODLETT PLAZA
SAN FRANCISCO • CALIFORNIA • 94102
TEL 415 554 6241 • FAX 415 554 6593

DEPARTMENT OF TRANSPORTATION

DIVISION OF AERONAUTICS – M.S.#40

1120 N STREET

P. O. BOX 942873

SACRAMENTO, CA 94273-0001

PHONE (916) 654-4959

FAX (916) 653-9531

TTY 711

Flex your power!
Be energy efficient!Copy to
PATRICIA

August 4, 2009

Ms. Mirian Saez, Director
Island Operations
Treasure Island Development Authority
410 Avenue of Palms,
Building 1, 2nd Floor
San Francisco, CA 94130



Dear Ms. Saez:

RE: Temporary Heliport Authorization, Treasure Island

The California Department of Transportation (Department), Division of Aeronautics, approves your request for two Temporary Heliport Authorizations, including one helicopter parking area, located on Treasure Island in San Francisco County. The heliport located in a vehicle parking lot east of Building 3 (H3) was granted a temporary heliport authorization by the Department that expired April 30, 2009. This letter renews that authorization from this date through December 31, 2009. The heliport to be located in the vehicle parking lot area east of Building 180 (H180) and the helicopter parking area north of Building 180 (P180) are authorized from this date through December 31, 2009. Approval is granted in accordance with (IAW) the California Code of Regulations (CCR), Section 3532, Temporary Heliport Authorization.

Flight operations must be conducted IAW current Federal Aviation Administration Regulations, State Law, the Department rules and regulations, conditional requirements imposed by the City and the County of San Francisco, and the Treasure Island Development Authority (TIDA) and are subject to the following Department conditions:

- The facilities are owned and operated by the United States Navy (Navy) and are considered exempt from the CCR. Regulations allow an exempt facility to apply for a permit. This authorization has been prepared per a request by the Navy. The Navy's office is located on Treasure Island at One Avenue of the Palms, Suite 161, San Francisco, CA 94130.
- The TIDA, under a Cooperative Agreement with the Navy, serves as the caretaker of the base and operates the utilities, security, reuse, and other caretaker functions.

The Heliport east of Building 3 (H3) is authorized with the following conditions required by the Department:

- The Final Approach and Takeoff Area (FATO) dimensions are 86 feet by 86 feet.
- The design helicopter is a Bell 212, with an overall length of 57.2 feet.

- The approved approach course is clockwise between 205° and 300° magnetic bearing.
- The approved departure course is clockwise between 025° and 120° magnetic bearing.
- The FATO is designed for use of only one helicopter at a time.
- The heliport should be marked in accordance with Federal Aviation Administration (FAA) Advisory circular (AC) 150/5390-2B, *Heliport Design*, Figure 2-19.
- The heliport is approved for day use, Visual Flight Rules (VFR) conditions only.
- The heliport center is located at Latitude 37°, 49', 11.63" N, Longitude 122°, 21', 53.18" W.
- The site meets or exceeds the minimum heliport standards specified by the Department in its rules and regulations.

The Heliport east of Building 180 (H180) is authorized with the following conditions required by the Department:

- The Final Approach and Takeoff Area (FATO) dimensions are 86 feet by 86 feet.
- The design helicopter is a Bell 212, with an overall length of 57.2 feet.
- The approved approach course is 330° magnetic bearing.
- The approved departure course is 150° magnetic bearing.
- The FATO is designed for use of only one helicopter at a time.
- The heliport should be marked IAW FAA AC 150/5390-2B, *Heliport Design*, Figure 2-19.
- The heliport is approved for day-use, VFR conditions only.
- The center of the FATO is located at Latitude 37°, 49', 04.79" N, Longitude 122°, 22', 09.03" W and is approximately 170 feet from Building 180.
- The site meets or exceeds the minimum heliport standards specified by the Department in its rules and regulations.

The Helicopter Parking position north of Building 180 (P180), to be used in conjunction with the H180 heliport, is authorized with the following conditions required by the Department:

- The parking position dimensions are 48 feet by 48 feet.
- The design helicopter is a Bell 212, with an overall length of 57.2 feet.
- The parking position is designed for use of only one helicopter at a time.
- The helicopter parking pad should be marked IAW FAA AC 150/5390-2B, *Heliport Design*, Figures 2-14 and 2-17.
- Movement to or from parking is approved for day-use, VFR conditions only.
- Helicopters using P180 must use the heliport H180 for arrivals and departures.
- The center of the parking position is located at Latitude 37°, 49', 04.71" N, Longitude 122°, 22', 12.85" W and is approximately 50 feet from Building 180.
- The site meets or exceeds the minimum heliport standards specified by the Department in its rules and regulations.
- A variance is granted for non-standard markings during the period of film production and this temporary permit.

Ms. Marian Saez

August 4, 2009

Page 3

Your application for two Temporary Heliport Authorizations and one helicopter parking area is hereby approved.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mike Smith".

MICHAEL SMITH

Aviation Safety Consultant

c: Mr. Peter McKernan
McKernan Motion Picture Aviation (MMPA)

FAA, AWP 622



*Flex your power!
Be energy efficient!*

DIVISION OF AERONAUTICS - M.S.#40

P. O. BOX 942873

CRAMENTO, CA 94273-0001

ONE (916) 654-4959

FAX (916) 653-9531

TTY 711

August 31, 2009

Ms. Mirian Saez, Director
Island Operations
Treasure Island Development Authority
410 Avenue of Palms,
Building 1, 2nd Floor
San Francisco, CA 94130

Dear Ms. Saez:

RE: Temporary Heliport Authorization, Treasure Island

The California Department of Transportation (Department), Division of Aeronautics, approves your request for three Temporary Heliport Authorizations, including one helicopter parking area, located on Treasure Island in San Francisco County. In accordance with (IAW) the Department's letter dated August 4, 2009, the heliport to be located in the vehicle parking lot area east of Building 180 (H180) and the helicopter parking area north of Building 180 (P180) are authorized from this date through December 31, 2009. The heliport to be located on the end of the pier (Pier) on the southeast corner of Treasure Island is authorized, for the Eurocopter AS-350 B2 only, from this date through December 31, 2009. Approval is granted IAW the California Code of Regulations (CCR), Section 3532, *Temporary Heliport Authorization*.

Flight operations must be conducted IAW current Federal Aviation Regulations, State Law, the Department rules and regulations, conditional requirements imposed by the City and the County of San Francisco, and the Treasure Island Development Authority (TIDA) and are subject to the following Department conditions:

- The facilities are owned and operated by the United States Navy (Navy) and are considered exempt from the CCR. Regulations allow an exempt facility to apply for a permit. This authorization has been prepared per a request by the Navy. The Navy's office is located on Treasure Island at One Avenue of the Palms, Suite 161, San Francisco, CA 94130.
- The TIDA, under a Cooperative Agreement with the Navy, serves as the caretaker of the base and operates the utilities, security, reuse, and other caretaker functions.

The Heliport east of Building 3 (H3) is authorized with the following conditions required by the Department:

- The Final Approach and Takeoff Area (FATO) dimensions are 86 feet by 86 feet.
- The design helicopter is a Bell 212, with an overall length of 57.2 feet.



- The approved approach course is clockwise between 205° and 300° magnetic bearing.
- The approved departure course is clockwise between 025° and 120° magnetic bearing.
- The FATO is designed for use of only one helicopter at a time.
- The heliport should be marked IAW Federal Aviation Administration (FAA) Advisory Circular (AC) 150/5390-2B, *Heliport Design*, Figure 2-19.
- The heliport is approved for day use, Visual Flight Rules (VFR) conditions only.
- The heliport center is located at Latitude 37°, 49', 11.63" N, Longitude 122°, 21', 53.18" W.
- The site meets or exceeds the minimum heliport standards specified by the Department in its rules and regulations.

The Heliport east of Building 180 (H180) is authorized with the following conditions required by the Department:

- The Final Approach and Takeoff Area (FATO) dimensions are 86 feet by 86 feet.
- The design helicopter is a Bell 212, with an overall length of 57.2 feet.
- The approved approach course is 330° magnetic bearing.
- The approved departure course is 150° magnetic bearing.
- The FATO is designed for use of only one helicopter at a time.
- The heliport should be marked IAW FAA AC 150/5390-2B, *Heliport Design*, Figure 2-19.
- The heliport is approved for day-use, VFR conditions only.
- The center of the FATO is located at Latitude 37°, 49', 04.79" N, Longitude 122°, 22', 09.03" W and is approximately 170 feet from Building 180.
- The site meets or exceeds the minimum heliport standards specified by the Department in its rules and regulations.

The Helicopter Parking position north of Building 180 (P180), to be used in conjunction with the H180 heliport, is authorized with the following conditions required by the Department:

- The parking position dimensions are 48 feet by 48 feet.
- The design helicopter is a Bell 212, with an overall length of 57.2 feet.
- The parking position is designed for use of only one helicopter at a time.
- The helicopter parking pad should be marked IAW FAA AC 150/5390-2B, *Heliport Design*, Figures 2-14 and 2-17.
- Movement to or from parking is approved for day-use, VFR conditions only.
- Helicopters using P180 must use the heliport H180 for arrivals and departures.
- The center of the parking position is located at Latitude 37°, 49', 04.71" N, Longitude 122°, 22', 12.85" W and is approximately 50 feet from Building 180.
- The site meets or exceeds the minimum heliport standards specified by the Department in its rules and regulations.
- A variance is granted for non-standard markings during the period of film production and this temporary permit.

The Pier Heliport on the southeast corner of Treasure Island is authorized with the following conditions required by the Department:

- The Final Approach and Takeoff Area (FATO) dimensions are 64 feet by 64 feet.
- The design helicopter is a Eurocopter AS-350 B2, with an overall length of 42.6 feet.
- The approved approach course is clockwise from 155° through 260° and 015° through 050° magnetic bearing.
- The approved departure course is clockwise from 335° through 080° and 195° through 230° magnetic bearing.
- The FATO is designed for use of only one helicopter at a time.
- The heliport should be marked IAW FAA AC 150/5390-2B, *Heliport Design*, Figure 2-19.
- The heliport is approved for day-use, VFR conditions only.
- The center of the FATO is located at Latitude 37°, 49', 12.15" N, Longitude 122°, 21', 39.34" W.
- The site meets or exceeds the minimum heliport standards specified by the Department in its rules and regulations.
- A variance is granted for non-standard markings during the period of film production and this temporary permit.

Your application for three Temporary Heliport Authorizations and one helicopter parking area is hereby approved.

Sincerely,



MICHAEL SMITH
Aviation Safety Consultant

c: Mr. Peter McKernan
McKernan Motion Picture Aviation (MMPA)
FAA, AWP 622

The Mercury News

MercuryNews.com

Tug that sank in San Francisco Bay recovered

The Associated Press

Posted: 08/28/2009 09:40:26 PM PDT

SAN FRANCISCO—A tug that sank at its berth at San Francisco's Treasure Island has been recovered from the bottom of San Francisco Bay.

With the use of a massive barge crane, the 300-ton tug Wenonah was lifted Friday afternoon from where it sank earlier this month.

Once the historic tug made it above the waterline, a Coast Guard crew boarded the vessel to get the remaining water out of the vessel.

Additional crews were on the scene to clean up some oil left in the tug's tanks.

The Wenonah sank on Aug. 17, sending a 400-foot debris field and an oil sheen across part of the bay.

The vessel was decommissioned in April 1974 after 33 years in service with the U.S. Navy.

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SFGate.com

Bay Bridge construction crane gives tug a lift

Michael Cabanatuan, Chronicle Staff Writer

Saturday, August 29, 2009



A weary old Navy tugboat that gave up the fight to stay afloat off Treasure Island two weeks ago got a helping hand Friday from a strapping young neighbor who's helping to build the new Bay Bridge.

The floating crane known as the Left Coast Lifter - yes, that's its real name - easily hoisted the gray Wenonah from its watery and muddy resting place off Treasure Island's Pier 1. It held the vessel at the water line for a few hours so the water could be drained, then lifted it 30 feet and lowered it onto a barge that will take it to Mare Island for dismantling.

"The Left Coast Lifter's main job is to construct the self-anchored suspension span," said Bart Ney, a Caltrans spokesman. "But history will show that one of its first jobs was to help its neighbors."

Crowds gathered on the southeastern shore of the island to watch the work in 96 degree weather. They included Bay Bridge construction workers on lunch breaks, a man who drove up from Santa Cruz, island residents and tourists.

Cathy Connelly, an El Sobrante homemaker, drove up in her Corvette, and pulled out a lawn chair and an umbrella, and watched for hours.

"I've never seen anything like it before," she said as she waited for the lifting to commence, "and I kind of want to see if they can do it - if it will come up, and if it will spill any oil."

The Left Coast Lifter is the biggest floating crane on the West Coast. Built in Shanghai specifically to lift the huge steel pieces of the new bridge's single-tower suspension span, the crane barge can lift as much as 1,800 tons. It raised the 300-ton Wenonah from the water in less than an hour - about half the time the job had been expected to take.

The Wenonah, a tug decommissioned from the Navy in 1974, took on water and sank on Aug. 17, spilling "an oily watery mixture" into the bay, according to the U.S. Coast Guard. Emergency cleanup crews contained most of the oily water inside booms, and collected about 300 gallons. State wildlife officials said no wildlife or sensitive habitat appeared to be harmed by the spill.

But the U.S. Coast Guard, which coordinated the cleanup, decided the Wenonah still posed a pollution risk. So it hired Global Diving and Salvage, a Seattle firm that arranged with American Bridge/Fluor, the consortium building the single-tower suspension span, and Caltrans to borrow

the big crane.

Earlier in the week, divers dug trenches under the tug and slung chains beneath it, cradling the vessel. Crews attached those chains to the Left Coast Lifter's crane Friday morning, and put it to work a couple of hours later.

The Wenonah was owned by the Historic Tugboat Restoration and Education Society, which paid rent to the Treasure Island Development Authority to berth the tug and a sister boat, the Nokomis, at Pier 1.

Because the society couldn't afford to pay for the cleanup or the removal, the Coast Guard used a federal oil spill fund. As of Friday, the cost was about \$200,000, said Coast Guard Lt. Commander Gus Bannan, and up to \$500,000 has been authorized.

E-mail Michael Cabanatuan at mcabanatuan@sfchronicle.com.

<http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/08/29/BA4J19FG92.DTL>

This article appeared on page C - 2 of the San Francisco Chronicle

Coast Guard News

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Coast Guard, unified command review surfacing details of sunken tug at Treasure Island

Aug 25th, 2009

by [cgnews](#)

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SAN FRANCISCO - The U.S. Coast Guard, California Department of Fish and Game's Office of Spill Prevention and Response, local agencies, and other partner organizations initiated oil mitigation and surfacing plans in response to the sinking of a tug at Pier One on Treasure Island, last Monday.

Global Diving and Salvage has been contracted to surface the tug, Wenonah, as she rests in 30-feet of water. Salvage crews have begun preparing the vessel for raising in order to secure the pollution threat. Surfacing of the vessel is expected during the next two weeks, as logistical and administrative issues are addressed. The National Response Corporation continues containment and recovery operations.

California Department of Fish and Game has received no reports of impacts to wildlife. Caution buoys have been placed around the containment area to enforce a 200-yard safety zone and warn passing vessels and ensure protection of the local public and environment from any further oil discharge.

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Posted in: [Marine Environmental Protection](#), [Marine Safety](#).

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Local

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Submerged tugboat ready to leave bottom of Bay

Bay City News
August 23, 2009

SAN FRANCISCO — Salvage operations for a historic tugboat that sank recently off Treasure Island in the Bay will begin this week, according to the Coast Guard.

The 100-foot USS Wenonah is still resting on the bottom of the Bay near Pier 1 on Treasure Island, and it's fully submerged except for the top few feet of its mast.

The tugboat sank Aug. 17, resulting in a minor oil spill when residue from the engine leaked out, according to the Coast Guard.

Cleanup crews quickly removed 200 to 300 gallons of an oily water mixture, and as of Friday clean-up costs had totaled \$100,000, the Coast Guard said.

The Coast Guard hasn't determined how the vessel sank. Although divers have been investigating, a final conclusion can't be made until the boat is salvaged, according to

Lt. Cmdr. Gus Bannan, chief of incident management for the agency's San Francisco division.

It's also unclear who will pay for the salvage or how much it will ultimately cost. Bannan said the oil cleanup was paid for with funds from the federal Oil Spill Liability Trust Fund.

The Wenonah is owned by the Historic Tugboat Education and Restoration Society, which leases the space at Pier 1 on Treasure Island.

The vessel spent 33 years in service before it was decommissioned in 1974.

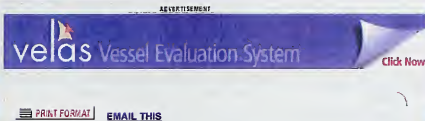
No specific date for the recovery has been set.



Skimming the water: Cleanup crews were able to remove 200 to 300 gallons of an oily water mixture from the Bay after a tugboat sank off Treasure Island last week. (Cindy Chew/The Examiner)



Thu 27 Aug 09 - 16:08 UTC



SMALL SPILL AS OLD TUG SINKS IN SF BAY

Wednesday, 19 August 2009

AN historic tug being preserved in the US, in San Francisco Bay, sank at its moorings on Monday, 17 August, causing a small oil spill. The accident involved the former naval tug the ex-USS Wenonah in a location near Treasure Island.

While the vessel only has about 700 gallons of oil on board and the spill reported so far is minor the incident has attracted the local media's attention as it comes shortly after the completion of court proceedings relating to the 2007 spill of 58,000 gallons when the container ship Cosco Busan hit the San Francisco-Oakland Bay Bridge. The US Guard is monitoring the situation and working with the vessel's owner, the Historic Tugboat Education and Restoration Society. A Coast Guard spokesman said: "Our number one priority right now is the safety of the environment and the public. So far we have no reports of injured or harmed wildlife. We're working to secure the pollution threat and have brought two contractors in to help contain it."

A member of the public raised the alarm that the vessel was very low in water but despite attempts to keep the tug afloat she sank a few hours later. So far there has been no statement on why the tug sank.



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Cleanup continues on Bay oil spill from old Navy tug

By Sean Maher
Oakland Tribune

Posted: 08/18/2009 08:47:28 AM PDT

Updated: 08/19/2009 12:15:40 AM PDT

THE BAY — As much as 700 gallons of oil could be spilled into the Bay from a nearly 70-year-old tugboat that sank Monday near Treasure Island, a U. S. Coast Guard spokesman said Tuesday.

By 6:45 a.m. Tuesday, crews resumed cleaning up oil spotted Monday morning near the decommissioned naval tug the USS Wenonah, a 100-foot vessel that had been moored to the eastern side of Treasure Island.

The Cosco Busan spill of 2007, by comparison, dumped about 58,000 gallons of oil into the Bay, according to the California Department of Fish and Game.

The Historic Tugboat Education and Restoration Society is listed as the owner of the vessel. The nonprofit group formed in 2002 to educate people about the restoration and preservation of vintage tugboats, according to the organization's Web site. The Wenonah is one of just two ships in the organization's fleet.

The Coast Guard is working to contact officials at the society and is cooperating with the state Department of Fish and Game, the San Francisco Fire Department and the Treasure Island Development Authority to assess the situation and clean up the spill, Lt. Junior Grade Jeremy Pichette said.

"Our No. 1 priority right now is the safety of the

environment and the public," Pichette said. "So far we have no reports of injured or harmed wildlife. We're working to secure the pollution threat and have brought two contractors in to help contain it."

A pedestrian noticed the tug was sitting low in the water and reported it to the Coast Guard shortly before noon Monday, and crews worked into the evening on the cleanup, a Coast Guard spokesman said. The tug completely sank several hours later. The Coast Guard has earmarked a 200-yard safety zone around the site of the sinking.

"We got reports from some people in Berkeley who said they could see the sheen, but no boats in the marina were reported affected at this point," Petty Officer Danielle Couture said.

A 400-yard debris field, along with a sheen of oil spreading several hundred feet, was found in the vicinity. After assessing the situation from the air, officials realized that the sheen had spread to the Berkeley Marina. The oil was extremely light in that area and cleanup will not be done there, officials said.

Pollution investigators used an absorbent boom and other cleaning materials to clean up Tuesday. The boom is completely encapsulated around the eastern tip of the pier, officials said.

The Wenonah was decommissioned in April 1974 after serving 33 years with the U.S. Navy as a harbor tug.

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SFGate.com

Tugboat sinks off Treasure Island, spills oil

John King

Tuesday, August 18, 2009



(08-17) 18:36 PDT SAN FRANCISCO -- A decommissioned U.S. Navy tugboat sank off Treasure Island on Monday afternoon, spilling a sheen of oil onto San Francisco Bay.

At 11:49 a.m., the tug was reported low in the water near a pier on the southeast corner of the island. By afternoon it was submerged except for the tip of the mast.

A thin sheen of oil had reached as far as Berkeley Marina.

It's unlikely that more than 25 gallons of diesel fuel and 10 gallons of lube oil leaked from the tug, said Diane Shipway of Parker Diving Service, one of two firms brought in by the Coast Guard to assist in the cleanup. Nor are there reports of harm to wildlife, said Coast Guard Lt. j.g. Jeremy Pichette.

Originally the Wenonah, the tug was taken out of service in 1974. It is owned by the Historic Tugboat Education and Restoration Society.


- John King

<http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/08/18/BACG19A0B5.DTL>

This article appeared on page C - 2 of the San Francisco Chronicle



Opinion

 **UNDER THE DOME** *City Hall Politics*[\[Print\]](#) [\[Email\]](#) [SHARE](#) 

City cracks down on Clipper Cove

By: [Joshua Sabatini](#)

08/04/09 4:30 PM PDT

The Board of Supervisors unanimously approved a law Tuesday that prohibits any boats from [anchoring in Clipper Cove for more than 24 hours without a city permit](#).

The cove is a section of waterway between Treasure Island and Yerba Buena Island. In recent years boats were being left there unattended, causing environmental and safety concerns. It is also an expensive ordeal to haul vessels out.

No law had been in place to allow local law enforcement to pull the boats out and issue penalties to owners or to establish anchoring restrictions. A boat can longer anchor in the cove for more than 24 hours without a permit.

The crackdown on boats comes as a proposed major redevelopment of Treasure Island moves forward. The project includes 6,000 to 8,000 new homes.

AUGUST 2, 2009



The City 65° 51°

Mostly cloudy in the morning,
then becoming partly cloudy.

SUNDAY!

SUNDAY STANCE: TIM LIOTTA

Giants give and take

Next year will tell whether
trades were smart moves

PAGE 35



PERSONAL BEST



Finding the ultimate thrill

Risbee athletes
are furious, fiery

PAGE 35

TRAVEL

Montreal on modest means

Bargains abound
in Canadian jewel

PAGE 21

FROM THE WEB

Whose reviews?

Ensuring honesty in
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PAGE 12

Steward of Treasure Island's fortunes



Mirian Saez is turning
the Bay's last haven
into a destination
for working, playing
and living **PAGES 6-7**



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Local

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Mirian Saez brings buried treasure to the surface

By: [John Upton](#)

August 1, 2009

SAN FRANCISCO — While Thievery Corporation spun records for festival revelers on a Treasure Island evening in late 2007, the politically-charged DJ duo was accompanied on stage by a cheerleader.

But this was no pompom-waving coed trying to bust her way into a music video.

Instead, the 50-year old boogied briefly while she gazed westward over the sweating, heaving fruit of her labors, and then slunk off the stage as surreptitiously as she had emerged, retreating back to the sanctuary of the festival's VIP section.

"The thrill of seeing this crowd of bouncing people, with The City view on the right hand side, was just absolutely spectacular," said Mirian Saez, the island's operations director and self-described cheerleader for the island. "It was great to see 10,000 people out there enjoying themselves."

The seasoned property manager helped launch the inaugural annual Treasure Island Music Festival in 2007 as part of an effort to build hype about the island and to entice potential future residents to its shores.

Saez, the daughter of Puerto Rican emigrants, was raised with a brother and two sisters in Ohio by a hard-working single mother. She graduated from Miami University in Oxford, Ohio in 1979 with a degree in public administration and completed an MBA a decade later at Wheeling Jesuit University in West Virginia.

Saez's path to island caretaker and promoter began in 2005, when she moved from Washington, D.C., to San Francisco with her partner, Julian Potter, formerly a high-ranking LGBT liaison to the Bill Clinton White House who had been invited to work for Mayor Gavin Newsom's administration.



A self-described 'cheerleader' for Treasure Island, Mirian Saez is bringing new life in the form of residents, businesses and events to an area of The City with vast untapped potential. (Mike Koozmin/Special to The Examiner)

[Mirian Saez spies treasure](#)

Newsom has since reassigned Potter to federal government affairs duties at the airport.

Potter and Saez met in 1993 when they were both working as special assistants to assistant secretaries at the U.S. Department of Housing and Urban Development under President Bill Clinton. Saez worked in public housing, while Potter worked in community development.

"Two other lesbians also came in as special assistants to other assistant secretaries in fair housing and housing," Saez said. "So there we all were, serving the principals at HUD, developing policy during the week and spending quality time over the weekends."

"Our days at HUD were special — besides the hard work we put into changing 12 years of Republican policy, it was actually a coming out experience for me," she said. "Having lived a closeted life in Ohio, relocating to an urban area was refreshing and enlightening. The town, the work place, the people were all so gay-positive."

The couple was living in Washington, D.C., when Potter, working as a consultant, prepared a work force development plan for San Francisco Mayor Gavin Newsom. The newly installed Newsom, who had recently directed officials to conduct gay weddings despite questions about their legality, invited Potter to move to San Francisco to work full-time for the administration to implement that plan.

"This was right after Newsom got elected and right after the whole marriage thing," Saez said. "We were terribly excited to come work for a person of that caliber."

The Port of San Francisco, a city agency, hired Saez as its real estate director in early 2005, and the couple moved their household to The City in April. They would later marry, just one day before Californians overturned Proposition 8, which restricted the definition of marriage to between a man and a woman.

In September 2006, Newsom appointed Saez to the role of Director of Island Operations at Treasure Island.

"It's my job to get you here [to the island] to think, 'What a cool place,'" Saez said. "Then, when the future is here, you'll want to live here. I guess I'm the cheerleader of the island. I find people all the time who have never come to the island."

The number of people visiting the island has swelled under Saez, and so has the number of privately and publicly delivered services that are provided to its residents.

For example, a guard house at the island's front gate was recently replaced with a deli to create a welcoming entrance for visitors while providing a badly needed store for residents.

Under Saez, sports fields have been built on the island and are being used for rugby, soccer, Gaelic football, hurling and little league sports. BMX, dragon boat, sailing and triathlon events have also taken place.

The Treasure Island Music Festival, started in 2007, is a successful annual event, the Exotic Erotic Ball was held on the island in 2008 and weddings and corporate parties are commonplace events that bring revenue and job opportunities to the island.

The island has long been a popular location for filmmakers; "bullet time" visual effects in "The Matrix"

and scenes from "Indiana Jones and the Last Crusade" were made there. Continuing that tradition, NBC is leasing hangar space on the island while it shoots its upcoming series "Trauma," and other television programs have also been shot at the island, including "Mythbusters" and "Prototype This."

Meanwhile, basic amenities have been improved. New stop signs were installed, a mobile library service was introduced, dilapidated and unusual buildings, including a jail, were restored and leased out to businesses, which has created local jobs, and Muni's 108 bus line now stops at Safeway to make it easier for residents working in The City to shop for groceries.

When the island is redeveloped, its 3,000 current residents will be required to move into new homes, according to Kheay Loke, who is managing redevelopment planning for Wilson Meany Sullivan, which has partnered with Lennar Corp. on the project.

"Mirian is keeping the population on the island informed," Sullivan said.

In the meantime, those residents will be able to enjoy sets during the October Treasure Island Music Festival by prominent artists such as Girl Talk, The Streets, The Flaming Lips and The Decemberists at a special, discounted rate.

And if they keep their eyes peeled, they might just catch a glimpse of their unlikely cheerleader rocking out at the side of the stage, soaking up the fun that her handiwork helped to make possible.

jupton@sfexaminer.com

Meet Mirian Saez

Married: To Julian Potter for nine months

Kids: None

Age: 52

Home: Noe Valley

Born and raised: Lorain, Ohio

Favorite restaurant: ZUMI Café

Weekends spent: Playing golf, hiking, cooking for friends

Favorite TV shows: Political programming, House

Last movie watched: "Up"

Last documentary watched: "Training Rules"

Recent books read: "Know Your Power" by Nancy Pelosi; "Why Women Should Rule The World" by Dee Dee Meyers; "The Last True Story I'll Ever Tell" by John Crawford

Person of influence: Fifth grade teacher Mr. Harsar, Al Gore, Hillary Clinton

A brief history of San Francisco's man-made isle

Flat, low-lying Treasure Island was built in 1936 and 1937 from Bay dredge as an extension to naturally formed Yerba Buena Island.

Treasure Island hosted the 1939 and 1940 World's Fair, and it was planned to be reused afterwards as

the site of San Francisco International Airport. But when World War II broke out, the U.S. Navy took over the island and used it to stage its Pacific war operations.

In exchange, the federal government gave San Francisco land in northern San Mateo County, where it built San Francisco International Airport.

The Navy left the island in 1996 and the buildings it left behind are now occupied by businesses, government offices and about 3,000 renters, including a large population of disadvantaged youths and people who were formerly homeless.

Now, the Navy is planning to return ownership of the island to The City, and developers are honing plans to build up to 8,000 new housing units, a ferry terminal, a hotel, new yacht berths and artificial wetlands at the soon-to-be hot new address in the middle of the Bay.

New roads and sewers are scheduled to start being laid in 2011, and a build-out of the island is expected to take eight years or more.

Mirian Saez says she's unsure what will happen to her job once the building of 8,000 new housing units begins on the island. But, for now, she says she's delighted to serve as a city manager for the tight community and to drum up interest in the island to help it grow once the timing is right.

- John Upton

Island oasis in the works

Details of the plan to develop Treasure Island have been made public.

Residential

1,320 Units in four skyscrapers on Treasure Island*

1,740 Units in 14 residential towers on Treasure Island*

2,520 Apartments in four-story buildings on Treasure and Yerba Buena islands*

500 Timeshare, hotel and wellness spa rooms on Treasure Island

600 Townhouses on Treasure and Yerba Buena islands*

Commercial

135,000 Square feet of institutional space, including a school, police and fire departments and a sailing center

270,000 Square feet of stores, including restaurants and entertainment venues

325,000 Square feet of commercial space, including a ferry terminal, a museum and parking

Newsmax.com

Pelosi Pursues 'Treasure Island' in Defense Bill

Thursday, July 30, 2009 9:31 PM

House Speaker Nancy Pelosi is leading a charge of dozens of lawmakers pressing for a little-known provision in the defense policy bill that would speed up the transfer of military bases to private developers.

At stake is the opportunity to develop hundreds of millions of dollars in prime real estate that once was home to large military bases, The Hill reported.

One such shuttered base – Treasure Island, a Navy based that closed in 1993 -- has been the subject of years of failed negotiations between San Francisco, the city Pelosi represents, and the Navy. It sits atop a man-made island in the San Francisco Bay that has city planners seeing dollar signs.

The Navy estimates it is worth \$240 million; the city offered a tenth of that value. Pelosi has personally fought and negotiated with the Navy over the land transfer, but those negotiations broke down, according to The Hill. She has been a very vocal cheerleader for the project, however.

“Once transfer of the land is complete, the city can quickly move forward with substantial redevelopment plans that include essential infrastructure, open space, affordable housing and extensive commercial activities, including retail, restaurants and entertainment,” Pelosi said in a statement. “In total, more than \$5 billion in public and private investments will create more than 2,500 permanent jobs, five times the number of civilian jobs that were lost with the closure of the base. Another 2,000 jobs will be created annually during construction.”

Now, under the provision in the House bill, she and other lawmakers could force the Navy to accept a sweetheart deal for the city that involves no immediate payment for the land. The military services would transfer the land at no cost to local authorities for economic development. Cities and other local authorities can put off paying for that land until it is developed and the value will be determined at that point.

The House provision likely will face stiff opposition from the Senate as the two chambers start conference negotiations on the final 2010 defense authorization bill, according to The Hill. The Senate version of the bill does not include a similar provision and contains a “sense of the Senate” provision challenging the House language.

Pelosi’s office claims she is not directly involved in the negotiations. “The Speaker did not request the language, but supports it and hopes that it is maintained in conference,” said Drew Hammill, Pelosi’s spokesman. But Pelosi tried but failed to get a provision in the defense policy bill last year that would have forced the Navy to sell the property at a price the city offered.

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LEADING THE NEWS



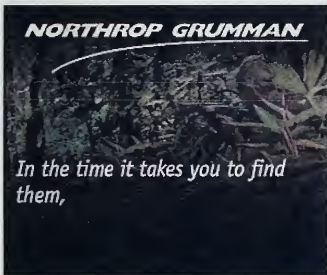
Pelosi has her eye on Treasure Island

By Roxana Tiron

Posted: 07/29/09 08:31 PM [ET]

House Speaker Nancy Pelosi (D-Calif.) is eyeing treasure in a massive Pentagon bill that could benefit her district greatly.

Pelosi is among dozens of House lawmakers pressing for a little-known provision in the defense policy bill that would speed up the transfer of military bases to private developers.



One of those shuttered bases has been the subject of years of failed negotiations between San Francisco, the city Pelosi represents, and the Navy.

The two parties have been at a stalemate over Treasure Island, a Navy base that closed in 1993 and sits atop a man-made island in the San Francisco Bay that has city planners seeing dollar signs.

They have squabbled over the price. The Navy estimates it is worth \$240 million; the city offered a tenth of that value.

Pelosi has personally fought and negotiated with the Navy over the land transfer, but those negotiations broke down.

Now, under the provision in the House bill, lawmakers could force the Navy to wave a white flag and accept a sweetheart deal for the city that involves no immediate payment for the land.

Instead of negotiating the value and paying the Pentagon upfront, the military services would transfer the land at no cost to local authorities for economic development. Cities and other local authorities can put off paying for that land until it is developed and the value will be determined at that point.

The House provision likely will face stiff opposition from the Senate as the two chambers start conference negotiations on the final 2010 defense authorization bill. The Senate version of the bill does not include a similar provision and contains a "sense of the Senate" provision challenging the House language.

Senate critics fear the Pentagon will ultimately receive a lot less money — if any at all — for the property and that payment will come at an uncertain time more than five years after the real estate transfer.

Pelosi's office points out that the Speaker is not directly involved in the fate of the provision. It was drafted by Rep. Sam Farr (D-Calif.) with bipartisan support and would benefit about 24 districts from Maine to California. But the Speaker is closely monitoring it, a spokesman said.

"The Speaker did not request the language, but supports it and hopes that it is maintained in conference," said Drew Hammill, Pelosi's spokesman.

Pelosi failed to get a provision in the defense policy bill last year that would have forced the Navy to sell the property at a price the city offered.

This year the Speaker engaged the White House on the issue of conveying military land for no cost, particularly

after Sen. Dianne Feinstein (D-Calif.) urged the Obama administration to support such an approach, according to a Pelosi aide. The Speaker has also recently engaged the new secretary of the Navy, Ray Mabus, on the matter.



The city of San Francisco submitted a request to buy the Treasure Island property for an economic development project, and has been negotiating with the Navy over a fair market price for the last six years.

The Navy has appraised the cost at \$240 million, while San Francisco appraised it at \$14 million. The city recently commissioned an independent appraisal by auditor KPMG that concluded the value at \$22 million, which the city offered to pay to the Navy. The Navy had consistently argued that the city is not offering a fair market price for the land.

It is yet unclear where the Obama administration and the new deputy undersecretary of Defense for installations, Dorothy Robyn, stand on this issue. Robyn was a senior economic adviser to the Clinton administration.

The Clinton administration pushed for the legislative authority to allow the military to have the option to do no-cost conveyances in order to spur economic redevelopment and job creation at closing military installations. The current law allows the Pentagon to choose a no-cost option.

Robyn's predecessor, Wayne Arny, a Bush appointee, made his opposition to the House provision very clear last month. Arny told a Senate Armed Services Committee last month that transferring land at no cost would reduce funding used to accelerate base closure cleanup and would be unfair to the taxpayer. Arny said that mandating no-cost transfer would only advantage some locations and effectively take money away from taxpayers.

The provision "would essentially be giving a particular community that normally wouldn't qualify for it a windfall profit that would divert money from the taxpayers," Arny said in his testimony.

The Navy has particularly relied on the use of land sales for cleaning up for its bases slated for closure.

The Pentagon last month also sent official opposition to the House provision, but that opposition was not included in the White House statements of administration policy it issues for bills under consideration. The Pentagon opposition states that the provision would "fundamentally change the existing base closure property economic development conveyance authority by requiring no-cost conveyance for redevelopment that may not produce any long-term job generation."

A Pentagon spokeswoman said on Wednesday that the Pentagon and Robyn's office will not comment on pending legislation.

When the House included the provision in its version of the 2010 defense authorization bill, Pelosi released a statement hailing it.

"Once transfer of the land is complete, the city can quickly move forward with substantial redevelopment plans that include essential infrastructure, open space, affordable housing and extensive commercial activities, including retail, restaurants and entertainment," she said. "In total, more than \$5 billion in public and private investments will create more than 2,500 permanent jobs, five times the number of civilian jobs that were lost with the closure of the base. Another 2,000 jobs will be created annually during construction."

Pelosi also praised the chairman of the House Armed Services Committee, Rep. Ike Skelton (D-Mo.), for including the provision in the bill. Farr says the provision is necessary.



Local

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Lights, camera, mayhem! 'Trauma' set to shoot

By: [Joshua Sabatini](#)**Examiner Staff Writer****July 21, 2009**

SAN FRANCISCO — A car careening out of control and plowing into a street fair or an emergency in a downtown skyscraper are just a taste of the high-impact drama facing San Francisco starting Wednesday.

Filmmaking magic comes to The City with NBC Universal beginning production of 12 episodes for the new TV drama "Trauma," scheduled to premiere in September.

The production will bring its share of disruptions, such as traffic diversions, but also big dollars for the ailing local economy, along with priceless free advertising.

City Film Office head Stefanie Coyote said shooting begins Wednesday in North Beach at various locations with "interiors and exteriors," capturing local business attractions such as Caffe Trieste.

"The big thing that is happening is the following week, next Tuesday, Wednesday and Thursday is a big street fair where there is an out-of-control car that goes careening into the street fair on Justin Herman Plaza," Coyote said.

That's just Episode 1. Coyote explained that each episode requires about eight days of shooting, with five days on location somewhere in The City and three days on Treasure Island, where sets have been created.

Each episode will have at least one "high-impact" or "high-drama" three-day shoot in The City — think explosions, car crashes and an emergency in a downtown high-rise.



Cinematic fantasies: Filming of the TV show "Trauma" will include explosions and cars careening into crowds. (Courtesy Photo)

The City's local economy will be infused by about \$3 million per episode with such production expenses as salaries, hotel stays and catering, Coyote said.

Filming of the 12 episodes will continue until December, and if it's popular another nine will be shot until April. If the series stays on the air, filming will continue.

"They are committed to basing this series in San Francisco as long as it's successful and on the air," Coyote said.

NBC.com describes the series as a one-hour drama "like an adrenaline shot to the heart." "When emergencies occur, the trauma team from San Francisco General is first on the scene, traveling by land, by sea or by air to reach their victims in time."

jsabatini@sfexaminer.com

Find this article at:

<http://www.sfexaminer.com/local/Lights-camera-mayhem-Trauma-set-to-shoot-51270802.html>

☐ Check the box to include the list of links referenced in the article.



THE SAN FRANCISCO-OAKLAND BAY BRIDGE SEISMIC SAFETY PROJECTS

CALTRANS BAY AREA TOLL AUTHORITY CALIFORNIA TRANSPORTATION COMMISSION

Public Announcement

Labor Day Weekend Ramp Closures at Yerba Buena Island

Due to construction on portions of the new San Francisco-Oakland Bay Bridge, the eastbound I-80 on-ramp to Oakland and the westbound I-80 on-ramp (east of Yerba Buena Island Tunnel) to San Francisco will close at 6:00 p.m. Thursday, Sept. 3 and reopen by 5:00 a.m. Tuesday, Sept. 8, 2009.

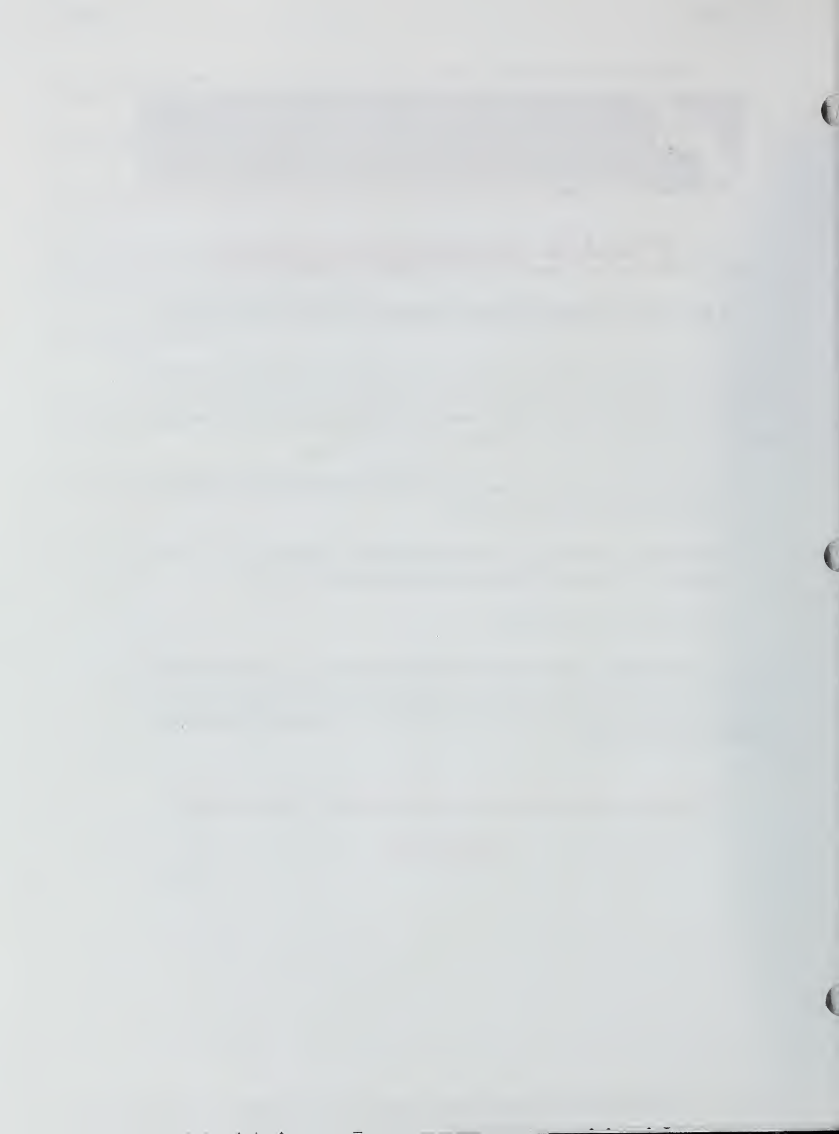
- Access to Yerba Buena Island and Treasure Island will only be available to vehicles displaying an Access Pass.
- San Francisco Police Department and California Highway Patrol will control access to Yerba Buena Island at the Sterling Street on-ramp.
- Please allow extra travel time.

For more information, contact the Public Information Office at (510) 286-7167 or the Public Information Officer, Margena Wade at (415) 286-1553. For updated project information, please visit the project Web site at www.baybridgeinfo.org, featuring BayBridge360.

****PLEASE, REMEMBER TO SLOW FOR THE CONE ZONES****

THANK YOU!

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8.27.09





AGENDA ITEM 6B
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 9, 2009

Subject: Resolution Authorizing the Thirty Third Amendment to the Treasure Island Land and Structures Master Lease between the Authority and the Navy to Extend the Term (*Action Item*)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND

On November 19, 1998, the Authority entered into a lease agreement with the United States Navy (Lease Number (N6247499RP42P12) (the "Master Lease"). The Lease Premises include certain facilities, including land leased to San Francisco Little League and several facilities in the Authority's commercial leasing portfolio as well as areas that are subleased to Rubicon Enterprises to support landscape operations on Treasure Island and Yerba Buena Island. The Authority does not pay any base rent under the Master Lease.

The term of the Master Lease will expire November 30, 2009. The Amendment extends the Master Lease term through November 30, 2010 on the same terms and conditions as the existing Master Lease.

The Director of Island Operations requests authorization from the Treasure Island Development Authority ("Authority") Board of Directors to extend term of the Land and Structures Master Lease with the United States Navy on Treasure Island through November 30, 2010.

FINANCIAL IMPACT

There will be no financial impact on the budget for the Treasure Island Development Authority.

RECOMMENDATION

Project Staff recommends that the Authority agree to extend the term of the Land and Structures Master Lease Agreement N6247499RP42P12 commencing on December 1, 2009 and expiring on November 30, 2010.

Prepared by Peter Holm
for Mirian Saez, Director Island Operations

[Amendment to Land and Structures Master Lease]

**RESOLUTION AUTHORIZING THE THIRTY THIRD AMENDMENT TO THE
TREASURE ISLAND LAND AND STRUCTURES MASTER LEASE BETWEEN
THE AUTHORITY AND THE NAVY TO EXTEND THE TERM**

WHEREAS, The Treasure Island Development Authority ("Authority") and the United States of America, acting by and through the Department of the Navy (the "Navy"), entered into a master lease dated November 19, 1998, for the Authority to use and rent out certain land and structures in certain areas of Treasure Island (the "Land and Structures Master Lease") at no rent; and,

WHEREAS, The Land and Structures Master Lease enables the Authority to sublease portions of the master leased area for interim uses and generate revenues to support the interim uses and the future redevelopment of the former Naval Station Treasure Island; and,

WHEREAS, The term of the Land and Structures Master Lease expires on November 30, 2009; and,

WHEREAS, The Authority wishes to extend the term of such lease for a period of one (1) year beginning on December 1, 2009 and ending on November 30, 2010, unless sooner terminated in accordance with the terms and conditions of the Master Lease; and,

WHEREAS, The Navy concurs with such extension; Now, Therefore, Be It

RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into an amendment to the Land and Structures Master Lease in substantially the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into any additions, amendments or other modifications to the Sublease that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the

Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Sublease, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

John Elberling, Secretary

**THIRTY THIRD AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY**

THIS LEASE AMENDMENT made this ____ day of _____, 2009, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 2 **TERM**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2009 and ending on 30 November 2010, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

TREASURE ISLAND DEVELOPMENT
AUTHORITY

Title _____

Title _____

APPROVED AS TO FORM:

CITY ATTORNEY



AGENDA ITEM 6C
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 9, 2009

Subject: Resolution Authorizing the Twenty Fifth Amendment to the Treasure Island South Waterfront Master Lease between the Authority and the Navy to Extend the Term (Action Item)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND

On September 4, 1998, the Authority entered into a lease agreement with the United States Navy (Lease Number N6247498RP00P99) (the "Master Lease"). The lease premises include certain land and buildings, including the Administration Building, Building 180, which is currently subleased to Beyond Productions, Hangar 2, which is currently subleased to Island Creative Management, and Hangar 3. The Authority does not pay any Base Rent under the Master Lease.

The term of the Master Lease will expire on November 30, 2009. The Amendment would extend the term of the lease through November 30, 2010 on the same terms and conditions as the existing Master Lease.

The Director of Island Operations requests authorization from the Treasure Island Development Authority ("Authority") Board of Directors to extend term of the South Waterfront Master Lease with the United States Navy on Treasure Island through November 30, 2010.

FINANCIAL IMPACT

There will be no financial impact on the budget for the Treasure Island Development Authority.

RECOMMENDATION

Project Staff recommends that the Authority agree to extend the term of the South Waterfront Master Lease Agreement N6247498RP00P99 commencing December 1, 2009 and expiring on November 30, 2010.

EXHIBIT A: Twenty Fifth Amendment to South Waterfront Master Lease

Prepared by Peter Holm
for Mirian Saez, Director Island Operations

[Amendment to South Waterfront Master Lease]

**RESOLUTION AUTHORIZING THE TWENTY FIFTH AMENDMENT TO THE
TREASURE ISLAND SOUTH WATERFRONT MASTER LEASE BETWEEN
THE AUTHORITY AND THE NAVY TO EXTEND THE TERM**

WHEREAS, The Treasure Island Development Authority ("Authority") and the United States of America, acting by and through the Department of the Navy (the "Navy"), entered into a master lease dated September 4, 1998, for the Authority to use and rent out certain land and buildings in certain areas of Treasure Island (the "South Waterfront Master Lease") at no rent; and,

WHEREAS, The South Waterfront Master Lease enables the Authority to sublease portions of the master leased area for interim uses and generate revenues to support the interim uses and the future redevelopment of the former Naval Station Treasure Island; and,

WHEREAS, The term of the South Waterfront Master Lease expires on November 30, 2009; and,

WHEREAS, The Authority wishes to extend the term of such lease for a period of one (1) year beginning on December 1, 2009 and ending on November 30, 2010, unless sooner terminated in accordance with the terms and conditions of the Master Lease; and,

WHEREAS, The Navy concurs with such extension; Now, Therefore, Be It

RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into an amendment to the South Waterfront Master Lease in substantially the form attached hereto as Exhibit A, and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into any additions, amendments or other modifications to the amendment that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the

Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the amendment, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

John Elberling,
Secretary

**TWENTY FIFTH AMENDMENT
TO LEASE AGREEMENT N6247498RP00P99
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY**

THIS LEASE AMENDMENT made this _____ day of _____ 2009, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 4 September 1998, entered into Lease Agreement N6247498RP00P99 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247498RP00P99 are hereby amended to reflect the following changes;

1. Paragraph 2 TERM, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2009 and ending on 30 November 2010, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

TREASURE ISLAND DEVELOPMENT
AUTHORITY

Title _____

Title _____

APPROVED AS TO FORM:

CITY ATTORNEY

AGENDA ITEM 6D
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 9, 2009

Subject: Resolution Authorizing the Thirteenth Amendment to the Treasure Island Marina Master Lease between the Authority and the Navy to Extend the Term. (Action Item)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND

On September 4, 1998, the Authority entered into a lease agreement with the United States Navy (Lease Number N6247498RP00Q01) (the "Master Lease"). The lease premises include certain land and buildings, including the Treasure Island Marina, the marina boat slips and the Treasure Island Yacht Club. The Authority does not pay any base rent under the Master Lease.

The term of the Master Lease will expire November 30, 2009. The Amendment extends the term through November 30, 2010 on the same terms and conditions as the existing Master Lease.

The Director of Island Operations requests authorization from the Treasure Island Development Authority ("Authority") Board of Directors to extend term of the Treasure Island Marina Master Lease with the United States Navy on Treasure Island through November 30, 2010.

FINANCIAL IMPACT

There will be no financial impact on the budget for the Treasure Island Development Authority.

RECOMMENDATION

Project Staff recommends that the Authority approve the extension of the Treasure Island Master Lease Agreement N6247498RP00Q01 commencing December 1, 2009 and expiring on November 30, 2010.

EXHIBIT A: Thirteenth Amendment to Marina Master Lease

Prepared by Peter Holm
for Mirian Saez, Director Island Operations

[Amendment to Treasure Island Marina Master Lease]

RESOLUTION AUTHORIZING THE THIRTEENTH AMENDMENT TO THE TREASURE ISLAND MARINA MASTER LEASE BETWEEN THE AUTHORITY AND THE NAVY TO EXTEND THE TERM.

WHEREAS, The Treasure Island Development Authority ("Authority") and the United States of America, acting by and through the Department of the Navy (the "Navy"), entered into a master lease dated September 4, 1998, for the Authority to use and rent out certain land and structures, the marina and marina boat slips in the marina area of Treasure Island (the "Treasure Island Marina Master Lease") at no rent; and,

WHEREAS, The Treasure Island Marina Master Lease enables the Authority to sublease portions of the master leased area for interim uses and generate revenues to support the interim uses and the future redevelopment of the former Naval Station Treasure Island; and,

WHEREAS, The term of the Treasure Island Marina Master Lease expires on November 30, 2009; and,

WHEREAS, The Authority wishes to extend the term of such lease from December 1, 2009 and ending on November 30, 2010, unless sooner terminated in accordance with the terms and conditions of the Master Lease; and

WHEREAS, The Navy concurs with such extension; Now, Therefore, Be It

RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into an amendment to the Treasure Island Marina Master Lease in substantially the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into any additions, amendments or other modifications to the Sublease that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Sublease, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

**John Elberling,
Secretary**

**THIRTEENTH AMENDMENT
TO LEASE AGREEMENT N6247498RP00Q01
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY**

THIS LEASE AMENDMENT made this _____ day of _____ 2009, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 4 September 1998, entered into Lease Agreement N6247498RP00Q01 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247498RP00Q01 are hereby amended to reflect the following changes;

1. Paragraph 2 **TERM**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2009 and ending on 30 November 2010, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination"

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

TREASURE ISLAND DEVELOPMENT
AUTHORITY

Title _____

Title _____

APPROVED AS TO FORM:

CITY ATTORNEY



AGENDA ITEM 6E
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 9, 2009

Subject: Resolution Authorizing the Twenty First Amendment to the Treasure Island Events Venue Master Lease between the Authority and the Navy to Extend the Term (Action Item)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND

On September 4, 1998, the Authority entered into a lease agreement with the United States Navy (Lease Number (N6247498RP00Q03) (the "Master Lease"). The Lease Premises include certain land and buildings, including Building 271 (Casa de la Vista), Building 187 (the Chapel), and the Great Lawn on the Western border of Treasure Island facing San Francisco, among others. A wide variety of events ranging from weddings and receptions through community picnics and corporate parties are held in the venues available to the Authority through this Master Lease. The Authority does not pay any base rent under the Master Lease.

The term of the Master Lease will expire on November 30, 2009. The Amendment to the Master Lease will extend the term through November 30, 2010 on the same terms and conditions as the existing Master Lease.

The Director of Island Operations requests authorization from the Treasure Island Development Authority ("Authority") Board of Directors to extend the term of the Events Venue Master Lease with the United States Navy on Treasure Island through November 30, 2010.

FINANCIAL IMPACT

There will be no financial impact on the budget for the Treasure Island Development Authority.

RECOMMENDATION

Project Staff recommends that the Authority agree to extend the term of the Events Venue Master Lease Agreement N6247498RP00Q03 commencing on December 1, 2009 and expiring on November 30, 2010.

Prepared by Peter Holm
for Mirian Saez, Director Island Operations

[Amendment to Events Venue Master Lease]

RESOLUTION AUTHORIZING THE TWENTY FIRST AMENDMENT TO THE TREASURE ISLAND EVENTS VENUE MASTER LEASE BETWEEN THE AUTHORITY AND THE NAVY TO EXTEND THE TERM.

WHEREAS, The Treasure Island Development Authority ("Authority") and the United States of America, acting by and through the Department of the Navy (the "Navy"), entered into a master lease dated September 4, 1998, for the Authority to use and sublease certain land and structures in the Events Venue area of Treasure Island (the "Events Venue Master Lease") at no rent; and,

WHEREAS, The Events Venue Master Lease enables the Authority to sublease portions of the master leased area for interim uses and generate revenues to support the interim uses and the future redevelopment of the former Naval Station Treasure Island; and,

WHEREAS, The term of the Events Venue Master Lease expires on November 30, 2009; and,

WHEREAS, The Authority wishes to extend the term of such lease for a term beginning on December 1, 2009 and ending on November 30, 2010, unless sooner terminated in accordance with the terms and conditions of the Master Lease; and,

WHEREAS, The Navy concurs with such extension; Now, Therefore, Be It

RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into an amendment to the Events Venue Master Lease in substantially the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into any additions, amendments or other modifications to the

amendment that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the amendment, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

John Elberling, Secretary

**TWENTY FIRST AMENDMENT
TO LEASE AGREEMENT N6247498RP00Q03
BETWEEN**

**THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY**

THIS LEASE AMENDMENT made this _____ day of _____ 2009, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 4 September 1998, entered into Lease Agreement N6247498RP00Q03 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247498RP00Q03 are hereby amended to reflect the following changes;

1. Paragraph 2 **TERM**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2009 and ending on 30 November 2010, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

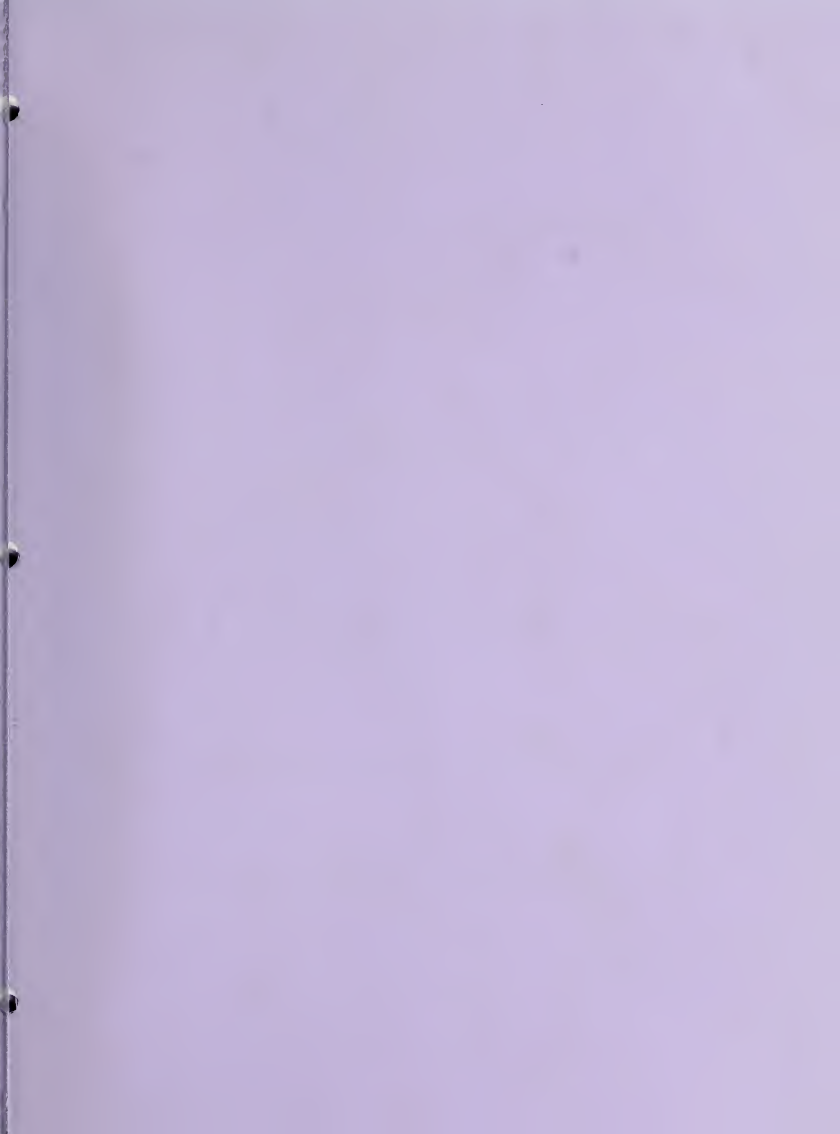
TREASURE ISLAND DEVELOPMENT
AUTHORITY

Title _____

Title _____

APPROVED AS TO FORM:

CITY ATTORNEY



AGENDA ITEM 6F
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 9, 2009

Subject: Resolution Authorizing the Fifth Amendment to the Treasure Island Childcare Center Master Lease between the Authority and the Navy to Extend the Term (Action Item)

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND

On October 1, 2001, the Authority entered into a lease agreement with the United States Navy (Lease Number N6871102RP02P09) (the "Master Lease"). The lease premises include land and structures that were subleased to Kidango for the purpose of operating a Childcare Center on Treasure Island. The Authority does not pay any Base Rent under the Master Lease.

The term of the Master Lease will expire on November 30, 2009. This Amendment will extend the term to November 30, 2010 on the same terms and conditions as the existing Master Lease.

The Director of Island Operations requests authorization from the Treasure Island Development Authority ("Authority") Board of Directors to extend term of the Childcare Center Master Lease with the United States Navy on Treasure Island through November 30, 2010.

FINANCIAL IMPACT

There will be no financial impact on the budget for the Treasure Island Development Authority.

RECOMMENDATION

Project Staff recommends that the Authority agree to extend the term of the Childcare Center Master Lease Agreement N6871102RP02P09 commencing December 1, 2009 and expiring on November 30, 2010.

Prepared by Peter Holm
for Mirian Saez, Director Island Operations

[Amendment to Childcare Center Master Lease]

RESOLUTION AUTHORIZING THE FIFTH AMENDMENT TO THE TREASURE ISLAND CHILDCARE CENTER MASTER LEASE BETWEEN THE AUTHORITY AND THE NAVY TO EXTEND THE TERM

WHEREAS, The Treasure Island Development Authority ("Authority") and the United States of America, acting by and through the Department of the Navy (the "Navy"), entered into a master lease dated October 1, 2001, for the Authority to use and rent out certain land and buildings in certain areas of Treasure Island (the "Childcare Center Master Lease") at no rent; and,

WHEREAS, The Childcare Center Master Lease enables the Authority to sublease the master leased area for interim uses and generate revenues to support the interim uses and the future redevelopment of the former Naval Station Treasure Island; and,

WHEREAS, The term of the Childcare Center Master Lease expires on November 30, 2009; and,

WHEREAS, The Authority wishes to extend the term of such lease for a period of one (1) year beginning on December 1, 2009 and ending on November 30, 2010, unless sooner terminated in accordance with the terms and conditions of the Master Lease; and,

WHEREAS, The Navy concurs with such extension; Now, Therefore, Be It

RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into an amendment to the Childcare Center Master Lease in substantially the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into any additions, amendments or other modifications to the amendment that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the

Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the amendment, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

John Elberling, Secretary

**FIFTH AMENDMENT
TO LEASE AGREEMENT N6871102RP02P09
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY**

THIS LEASE AMENDMENT made this ____ day of _____ 2009, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 1 October 2001, entered into Lease Agreement N6871102RP02P09 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6871102RP02P09 are hereby amended to reflect the following changes;

1. Paragraph 2 **TERM**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2009 and ending on 30 November 2010, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination"

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

TREASURE ISLAND DEVELOPMENT
AUTHORITY

Title _____

Title _____

APPROVED AS TO FORM:

CITY ATTORNEY

AGENDA ITEM 6G
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 9, 2009

Subject: Authorizing the Director of Island Operations to Execute a Loan Agreement with History San Jose for the Temporary Loan of the Miguel Covarrubias Murals “Peoples of the Pacific,” “Economy of the Pacific,” “Native Dwellings of the Pacific Area” and “Native Means of Transportation in the Pacific Area” (*Action Item*)

Contact: Mirian Saez, Director of Island Operations

Phone: 415-274-0660

BACKGROUND

In January of 2009, Project Office staff received a request from History San Jose, the Mexican Heritage Corporation (MHC) and the City of San Jose Office of Cultural Affairs for a loan of four of the murals which comprise the Authority’s Miguel Covarrubias mural set “Pageant of the Pacific” (the Murals) (**Exhibit A**). The request was for the murals “Peoples of the Pacific,” “Economy of the Pacific,” “Native Dwellings of the Pacific Area” and “Native Means of Transportation in the Pacific Area”. The fifth mural in the set, “Fauna and Flora of the Pacific Area”, is currently on temporary loan to Fine Arts Museums of San Francisco for display at the de Young Museum.

History San Jose is the entity charged with historic programming and exhibitions at San Jose City Hall. The four Murals and associated educational material will be installed in a publicly accessible exhibit space adjacent to the San Jose City Council Chambers. The MHC also intends to incorporate the opening of this exhibit into the programming for the MHC’s 2009 San Jose Mariachi and Mexican Heritage Festival.

The Loan Agreement (**Exhibit B**), similar in nature to the Agreement executed with the Government of Mexico for prior loan of the Murals, calls for the Murals to be on Loan for the approximate dates of September 2009 through March of 2010. History San Jose will also be securing all appropriate insurance for the duration of the Loan Agreement, subject to review and approval by the City and County of San Francisco Risk Manager. Fine Arts Museums of San Francisco Paintings and Conservation staff will oversee the installation and deinstallation of the murals on behalf of the Authority

FINANCIAL IMPACT

All costs associated with the transportation, installation and desinstallation of the murals will be covered by History San Jose. There is no direct cost to the Authority associated with this Loan Agreement.

RECOMMENDATION

Staff recommends that the Board approve the resolution and authorize execution of the Loan Agreement with History San Jose

Exhibit A – January 12, 2009 History San Jose Loan request letter

Exhibit B – Loan Agreement between the Authority and History San Jose

Prepared By: Peter Summerville for
Mirian Saez, Director of Island Operations

[Loan of Four Miguel Covarrubias Murals to History San Jose]

Authorizing the Director of Island Operations to Execute a Loan Agreement with History San Jose for the Temporary Loan of the Miguel Covarrubias Murals "Peoples of the Pacific, "Economy of the Pacific" "Native Dwellings of the Pacific Area" and "Native Means of Transportation in the Pacific Area".

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over former Naval Station Treasure Island (the "Base"), and (ii) with respect to those portions of the Base which are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Tidelands Trust prohibits the sale of Tidelands Trust property into private ownership, generally requires that Tidelands Trust property be accessible to the public and encourages public oriented uses of trust property that among other things, attract people to the waterfront, promote public recreation, protect habitat and preserve open space; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency with powers over Treasure Island in Resolution No. 43-98, dated February 6, 1998; and,

WHEREAS, On March 29, 2001, the Authority approved a resolution accepting as a gift from the Port of San Francisco five Miguel Covarrubias murals collectively titled "Pageant of the Pacific" (the "Murals"); and,

WHEREAS, Project Office staff received a request from History San Jose for the Loan of four of the Murals, specifically "'Peoples of the Pacific, "Economy of the Pacific" "Native Dwellings of the Pacific Area" and "Native Means of Transportation in the Pacific Area"; and,

WHEREAS, History San Jose intends to publicly display the four Murals at San Jose City Hall between September 2009 and March 2010; and,

WHEREAS, Under the terms of the proposed Loan Agreement, History San Jose shall cover all costs related to the transportation, insurance, handling and display of the Murals; now, therefore be it

RESOLVED, That the Authority hereby authorizes the Director of Island Operations or her designee to execute a Loan Agreement in substantially the form attached hereto as Exhibit A with History San Jose for temporary loan of the Miguel Covarrubias Murals "Peoples of the Pacific, "Economy of the Pacific" "Native Dwellings of the Pacific Area" and "Native Means of Transportation in the Pacific Area"; and, be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations or her designee to enter into any additions, amendments or other modifications to the Loan Agreement that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the Authority, that do not

materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Agreement, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations or her designee of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

John Elberling, Secretary



1650 Senter Road
San Jose, CA 95112-2599
408-287-2290 Main
408-287-2291 Fax
www.historysanjose.org



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Absolute Turnkey

Mark Ritchie
Ritchie Commercial

Keith Watt
Le Petit Trianon

January 12, 2009

Peter Summerville
Treasure Island
Development Authority
410 Avenue of Palms, Bldg. 1
San Francisco, CA 94130

Dear Peter,

History San José (HSJ) in partnership with Mexican Heritage Corporation (MHC), and the City of San José Office of Cultural Affairs respectfully request permission to borrow the five Covarrubias Murals for public display in San José City Hall.

Please find a full Proposal attached, but here are some highlights:
Loan Period: August 3 – Pick up and deliver directly to SJ City Hall August 17, 2009 – Open; April 16, 2010 – Close and return directly to TI.
Loan Agreement: signed by History San José, who will assume responsibility for all costs: transport, display and insurance. The budgeted insurance amount is an estimate based on information you provided valuing the set of murals at \$7.5 million.

The loan request is timed to have the murals on public display for the celebration of the **18th Annual San José Mariachi and Latin Music Festival**, which draws tens of thousands of people to San José. HSJ and MHC will plan public programming to make the most of these wonderful murals while they are in San José. We will, of course, also explore all publicity avenues and give full credit as you define. There is a great deal of excitement already generated at the possibility of displaying the murals in San José. I hope that we can make this a reality. I look forward to discussing this Proposal with you further. Please do not hesitate to call me at 408.918.1041.

Sincerely,

Alida J. Bray
President & CEO



EXHIBIT PROPOSAL

RE-EMERGING DIVERSITY: MIGUEL COVARRUBIAS AND THE 1939 WORLD'S FAIR MURALS

Exhibit subject

California—particularly Santa Clara County within the context of the greater Bay Area is the gateway to the Pacific Rim. San José is, and always has been, one of the most culturally diverse cities in the United States. The local population hails from countries around the world, speaking more than 103 languages. The exhibition *Re-Emerging Diversity: Miguel Covarrubias and the 1939 World's Fair Murals* celebrates the diversity that is San José. This exhibit meets the City Program Description Goals of "Our Community" by focusing on San José's diverse residents and their origins.

Mexican born José Miguel Covarrubias (1904 – 1957) was a confidante of Mexican greats Diego Rivera, Frida Kahlo, Rufino Tamayo and Robert Montenegro among others. As a caricaturist for *Vanity Fair* and *The New Yorker*, it could easily be assumed that Covarrubias is largely ignored by fine art historians, but he was an anthropologist and geographer as much as he was an artist, which gave him a unique respect among art aficionados. It was likely his association with Edward Weston and other notable figures in California art that secured his commission for Golden Gate International Exposition. It may also have been the popularity that his work ignited among *New Yorker* and *Vanity Fair* readers.

In 1938, Philip Youtz, director of the Golden Gate International Exposition invited Miguel Covarrubias to participate in the Fair to be held on Treasure Island from February 1939 until the end of that year. Miguel conceived of a suite of six gigantic Mural Maps titled the *Pageant of the Pacific*, measuring as much as 15 feet high by 24 feet across. Each Mural illustrates the glory of the Pacific. He considered them mini-lessons in anthropology, illustrating the region's flora and fauna, the people of the various nations, and their economies, art, transportation, and habitations. For example, in the *Peoples of the Pacific* Mural he represents Mexico with the agrarian revolutionary Emiliano Zapata outfitted in a *charro* costume.

When the Fair opened, critics lavished their praise on the Murals commenting that the artist had linked human beings through time and space, focusing on common characteristics and essential human concerns such as clothing, housing, transpiration, and the environment. *Fortune* magazine said, "not only are the mural maps first rate works of art, but the research job behind them is prodigious. They are unparalleled in the way in which they combine education, decoration, and entertainment, providing painless instruction to the public."

The exhibition of the Murals in San José City Hall will not only mark the 70th anniversary of their creation, but it will be the first time these works of art have been exhibited together in the United States since they were cleaned and conserved in Mexico to their original condition.

In addition, *Re-Emerging Diversity: Miguel Covarrubias and the 1939 World's Fair Murals* will be the featured visual arts exhibition of the 18th Annual San Jose Mariachi and Latin Music Festival. The Festival is the signature Latino music and cultural event in Northern California that annually draws thousands of visitors to downtown San Jose and garners international publicity. The celebratory theme selected by Festival Artistic Director Linda Ronstadt for 2009 is a musical arts and cultural homage to civil rights leader Cesar Chavez. The Mural's depiction of the diverse communities, art and culture of the Pacific is a magnificent visual tribute to Chavez' own dedication to diversity, cultural empowerment and love of humanity.

As it was in 1939, the San José City Hall Exhibition will be the visual arts centerpiece of the Festival. Substantial coverage will be dedicated to the Exhibit throughout the Festival and the Murals will be featured at a gala reception during the week of the Festival.

Exhibit content

The *Pageant of the Pacific* is a suite of five Murals (*originally there were six murals, the sixth—Art Forms of the Pacific Area, has been missing for years*) created in 1939 by Miguel Covarrubias for the Golden Gate International Exposition Worlds Fair at Treasure Island, San Francisco, California:

Peoples of the Pacific (15' x 24' overall), 12 panels

Fauna and Flora of the Pacific (15' x 24' overall), 12 panels

Economy of the Pacific (15' x 24' overall), 12 panels

Native Dwellings of the Pacific (8' x 13' overall), 4 panels

Native Means of Transportation in the Pacific Area (8' x 13' overall), 4 panels

Artifacts collected by Miguel and Rosa Covarrubias that relate to the Murals will be highlighted from the Adrianna Williams collection. Contextual information will focus not only on the artist and the creation of the Murals, but also on the relationship between countries illustrated on the Mural Maps and the cultures that came to San José.

Types of material

All five murals were created with pigmented duco lacquer on a Masonite support. At the time Covarrubias began these Murals, the tradition was to use plaster. He developed a process that was a kind of fresco in a flat duco lacquer with a nitrocellulose base. He diluted the medium with lacquer thinner, added pure dry pigment and then applied this combination to Masonite panels. The finished product dried hard and water resistant.

Display methods

History San José has a professional exhibition staff that will install & de-install the exhibit to American Association of Museum standards, including American Disabilities Act standards. The exhibit will utilize:

1. Cleat hung Murals & text panels.
2. Free standing City Hall exhibit floor cases. HSJ will supply all risers and exhibit furniture.
3. Free standing barriers to keep public from touching murals.

Timeline of material proposed for display

1. Preparation	10 days, begin August 3, 2009
2. Installation	4 days
3. Exhibit open dates	8 months, proposed August 17, 2009 – April 16, 2010
4. De-Installation	4 days

List of personnel who will create the display

- Alida J. Bray is the HSJ President & CEO and will serve as the Project Administrator.
- Joseph Cowart is the HSJ Exhibit Preparator and will coordinate the installation & de-installation.
- Jennifer McCann is the HSJ Collection Registrar who will coordinate insurance, condition reports, shipping, and the Loan Agreement with the Treasure Island Development Authority.

- **Sarah Puckitt** is the HSJ Curator of Art and Photograph, and will serve as the Project Manager, supervising all aspects of the Project including digital imaging and design & production for the exhibit.
- **Adrianna Williams** guest Curator, will provide the research and writing for the text panels, and can provide training on the Murals to City Hall docents. A native New Yorker, granddaughter of former Mexican President Plutarco Elías Calles, and long-time friend of Rosa Covarrubias, Adrianna Williams is a Covarrubias specialist. Adrianna and her husband Tom live in San Francisco and are collectors of Symbolist paintings, Mexican art, modern glass.

Budget

Pickup, delivery & installation of murals to and from City Hall by Atthowe Fine Arts Movers, including materials and equipment/scissor lift rental	\$12,000
<u>Project Administration</u> \$1,038. (3 days @ \$ 346. = 1 staff FT) <u>Preparation & registration</u> \$3,540 (10 days @ \$354=2 staff FT @ average daily salary \$177.) <u>Install and de-install</u> \$2,124. (6 days @ \$354=2 staff FT @ average daily salary \$177.) <u>Curatorial/D&P</u> \$1,000. (5 days @ \$200=1 staff FT @ average daily salary \$200.) <u>Guest Curator Honorarium</u> \$2,000	\$9,702.
Design & construction of barrier; and supplies	\$2,500
Design and production of exhibit materials: text panels and labels by Gordon Chun Design including camera ready brochure materials	\$3,000
Reception for VIP's	\$1,000
Insurance premium - coverage door to door for 8 months	\$16,500
Total	\$44,702

Item 6G, EXHIBIT B

AGREEMENT

August 1, 2009

BETWEEN

Treasure Island Development Authority
One Avenue of Palms, Second Floor
Treasure Island
San Francisco, CA 94130
Attention: Mirian Saez
Director of Island Operations
Phone: (415) 274-0660
Fax: (415) 274-0299

AND

**HISTORY SAN JOSE, A CALIFORNIA
CORPORATION**
1650 Senter Road
San Jose, CA 95112-2599
Attention: Alida J. Bray, President/CEO
Phone: 408-287-2290
Fax: 408-287-2291

I. NAMING OF PARTIES

This document (hereafter, "Agreement") sets forth the terms of mutual agreement between the lender, the Treasure Island Development Authority (the "Authority" or "TIDA"), and the borrower, History San Jose, a California Corporation, concerning the forthcoming exhibition of artworks with the working title:

Pageant of the Pacific Murals
By Miguel Covarrubias
(hereafter, the "Murals" or the "Covarrubias Murals")

IA. RECITALS

Whereas, the Authority owns the Covarrubias Murals and is responsible for the long-term care and preservation of the Murals; and

Whereas, the parties' primary focus in entering into this Agreement is to foster cultural exchange between San Francisco and San Jose, celebrate a shared artistic heritage and to help ensure the public enjoyment of the Covarrubias Murals; and

Whereas, History San Jose seeks to borrow the Murals for the purpose of a temporary public presentation in San Jose City Hall; and

Whereas, History San Jose is committed to ensuring the successful execution of project activities, ensure the proper care and protection of the Murals, and proper day-to-day management of project activities; and

Whereas, the Authority recognizes the historical and cultural significance of the Murals and is committed to exhibiting the murals in a professional manner; and

Whereas, History San Jose is committed to funding all elements of the Loan, including but not limited to transportation, installation and deinstallation, exhibition, insurance, security and promotion.

The Parties hereby agree to the terms and conditions of this Agreement.

II. EXHIBITION

II.A. CONTENTS OF THE MURALS

The Murals consist of four (4) murals made up of a total of 32 panels painted by Miguel Covarrubias for the Pan Pacific Exhibition on Treasure Island in 1939. The Murals depict cultural scenes of various countries around the world, particularly those countries surrounding the Pacific Rim. Photographic images of the Murals, together with a description, shall be attached as Appendix A ("Description of Murals") to this Agreement

II.B. SCHEDULE

The Murals will be presented according to the following schedule (or other schedule as may be approved in writing by both Parties to this Agreement and by the San Francisco City Risk Manager) (the "Exhibition Schedule"):

Transportation from storage and installation:

September 2, 2009 – September 11, 2009

Venue: San Jose City Hall

200 East Santa Clara Street

San Jose, CA 95113

Display:

September 14, 2009 – March 14, 2010

Venue: San Jose City Hall

200 East Santa Clara Street

San Jose, CA 95113

Deinstallation and transportation back to storage:

March 15 – March 28, 2010
Atthowe Fine Arts Services
3924 Market Street
Oakland, CA 94608

The Murals shall travel to San Jose City Hall and be exhibited from the period of September, 2009 through March, 2010. History San Jose shall not move the Murals to any other exhibition venue without the Authority's prior written consent and approval by the San Francisco City Risk Manager. History San Jose will be responsible for all costs associated with the installation (including any costs associated with supervision by Authority or Fine Arts Museums of San Francisco staff), deinstallation, packing, couriers, shipping, transport and security. Any change of dates or location for the exhibition of the Murals shall be agreed upon in writing by all parties, and the San Francisco City Risk Manager.

II.C. SPONSORSHIP

If History San Jose finds sponsors for any portion of the Murals, for the purpose of offsetting expenses related to the Murals, History San Jose shall inform the Authority of such sponsor.

II.D. FINANCIAL AND CONTRACTUAL RESPONSIBILITIES

1. There shall be no public participation fee at San Jose City Hall for the viewing of the Murals;
2. History San Jose shall provide at no cost to the Authority:
 - a. Photographs of the murals on display at the exhibition venue and 25 free copies of any catalogue or materials produced for the Exhibition.
 - b. mounting and display for each panel of the Murals.
 - c. payment for art insurance unless otherwise specified under Section III (Insurance), herein, and any other insurance requested by the San Francisco City Risk Manager).
 - d. all local costs of installation and deinstallation, unpacking and packing of crates, graphics, security, programs, events and publicity.
 - e. curatorial research for the exhibition, display, and publication of the Murals
 - f. transportation and shipping from the Murals permanent storage location to San Jose City Hall, and back to the Murals permanent storage location.
3. History San Jose shall immediately alert the Authority of any changes in the facility and/or galleries designated for the exhibition of the Murals during the period covered by this Agreement, and the Authority must approve any such changes. History San Jose shall ensure that the facility will conform with the Authority-approved facilities report throughout the exhibition of the Murals.

III. INSURANCE

History San Jose, in consultation with, and subject to the final approval of, the San Francisco City Risk Manager, shall secure an all-risk, fine arts wall-to-wall policy form for the value of the Murals, including coverage for the perils of transit, earthquake, flood and windstorm or damage from any cause except wear and tear, gradual deterioration, and other standard fine arts policy exclusions, with a zero deductible. The Borrower shall name the Authority, the City and County of San Francisco, the Fine Arts Museums of San Francisco, and the Corporation of the Fine Arts Museums, as additional insureds and shall name the Authority as the loss payee for the Murals under that policy. On or before August 31, 2009, the History San Jose shall provide, to the Authority a certificate of insurance and endorsement evidencing such coverage. This coverage will apply from the time of condition checking at the Authority, through the exhibition of the Murals at the exhibition venue listed on the Exhibition Schedule, until the Murals are returned safely and are condition checked at the Authority. Failure of the History San Jose to pay for such insurance or to secure the insurance required under this section shall constitute a basis for termination of this Agreement. The Borrower's insurance coverage must be placed with an insurance company rated AM Best A VII or better.

All policies shall provide thirty (30) days' advance written notice to the Authority of reduction or nonrenewal of coverages or cancellation of coverages for any reason.

IV. CARE AND CONSERVATION

IV.A. STANDARD OF SECURITY

The Murals shall be treated by History San Jose as they would treat all works of art of great quality and in accordance with standard professional museum practices. History San Jose will accept full responsibility for the security and safekeeping of the Murals and will provide security in accordance with standard professional museum practices. Security provisions will include guards posted in and around the Murals during public hours monitoring any and all exits and 24-hour electronic surveillance. Signage and barriers will be provided to help protect the Murals where necessary.

IV.B. ENVIRONMENTAL REQUIREMENTS

The Murals must be stored, handled and exhibited in conformity with standard museum practices, which include the following environmental requirements. Specific instructions for the Murals are listed below.

1. Temperature:	68-70 degrees Fahrenheit (20-23 C.) +/- 10 degrees.
2. Humidity:	50% R.H. +/- 5% R.H.
3. Light:	Not to exceed 5-15 foot candles (50-150 LUX) depending on the media of the Murals (specified in Appendix A). No panels of the

		Murals are to be directly exposed to natural light or ultra-violet light of any kind. No lights are allowed inside of any cases displaying the murals without the permission of the Authority.
4.	Restrictions:	Under no circumstances shall History San Jose allow smoking or food and beverage in the same galleries as the Murals.
5.	Documentation:	History San Jose shall accurately document temperature, light and relative humidity in the exhibition galleries every 24 hours from the time the Murals arrive until the departure of the Murals. History San Jose shall accumulate and maintain such daily documentation and make available to the Authority upon request.
6.	Exhibition Cases:	The Murals must be inside vitrines or behind a protective bar/barrier such as a bar stanchion, approved by the Authority, to prevent visitors from touching or standing too close to the Murals, unless otherwise approved by the Authority. The interior of the cases that are to house the Murals should be fabric-lined, not painted.
7.	Storage:	Any storage of the Murals must be reviewed in advance by the Authority and must be in a climate-controlled space with adequate security. Any storage costs required by the Authority must be borne by History San Jose.
8.	Handling:	History San Jose is required to follow all instructions for handling each panel of the Murals that shall be provided by the Authority.

V. TRANSPORTATION AND SECURITY

V.A. PACKING CASES

The Murals shall be transported to and from the exhibition in packing cases provided by the Authority. History San Jose shall be responsible for the cost of crating and packing. History San Jose shall also be responsible for the condition of the packing cases at all times throughout the course of the Loan, and shall immediately report to the Authority any damage caused to any of the packing cases. In the event of damage to any of the cases, History San Jose shall be responsible for providing a replacement case(s) deemed satisfactory by the Authority. The Authority, in consultation with the Fine Arts Museums of San Francisco, shall designate an agent to oversee all aspects of packing and crating the works for shipment.

V.B. PACKING AND UNPACKING

The representatives of the Authority shall supervise all packing and unpacking of the Murals. Upon arrival of the Murals at the exhibition venue, the crates must remain unopened for 24 hours in order to acclimatize the Murals to the space prior to unpacking. The packing and unpacking of the Murals shall be carried out by trained art handlers previously approved by the Authority at no cost to the Authority and supervised by the representatives of the

Authority or the Authority's designated representative. At the conclusion of the exhibition of the Murals, the empty crates shall be placed by History San Jose in the galleries for 24 hours prior to repacking of the Murals in order to acclimatize the crates.

V.C. CONSERVATION

If any damage should occur to any of the panels of the Murals between the time they leave the Authority and are returned to the Authority, History San Jose shall immediately notify the San Francisco City Risk Manager, Matthew Hansen by FAX at 415 554-6168. In addition, History San Jose shall immediately notify the Director of Island Operations, by FAX 415-274-0299 or e-mail Mirian.Saez@sfgov.org. No conservation treatment shall be undertaken without written approval from the Authority. The Authority reserves the right to inspect the Murals from time to time during the exhibition and to remove any panel of the Murals from the exhibition if in the Authority's judgment such removal is necessary for its protection.

The Murals shall be unpacked in climate controlled exhibition space that shall be removed and sealed from any galleries that are not fully prepared and painted in advance.

V.D. CONDITION REPORTS

A Condition Report shall be attached to this Agreement as Appendix B ("Condition Report"). Upon unpacking, Authority representatives shall note any change in the condition of the Murals on the Condition Report and date and sign the same. At the time of re-packing, the same procedures shall apply.

V.E. SHIPPING AND TRANSPORT

If any shipments are arranged by truck, the trucks must be an air-ride, climate-controlled vehicle followed by a security car. History San Jose, in consultation with the Authority, shall make all the necessary arrangements for transportation of the Murals from the Authority to the exhibition venue and back to the Authority, including provision for couriers and security in transit. History San Jose must consult with the Authority representative, before any arrangements are made for the transportation of the Murals. The cost of all shipping and transport shall be paid by History San Jose.

V.F. COURIERS

The Authority, or its designee (a representative from the Fine Arts Museums of San Francisco), shall be allowed couriers, at the expense of History San Jose (including a per diem cost of up to fifty dollars (\$50) per day for meals and incidental expenses), to accompany the Murals during transport and installation at the exhibition venue. A maximum of two couriers shall be required for installation at the venue estimated at seven (7) days or until the Murals are installed. At the close of the exhibition at the venue, a maximum of two couriers will be required (approximately seven (7) days or until the Murals are deinstalled) to oversee deinstallation and packing. The Authority shall be allowed couriers to accompany the Murals during transport from the exhibition venue back to the Authority.

V.G. INSTALLATION AND DEINSTALLATION

The Authority has already provided some existing photos to History San Jose on CD Rom. A list of images is attached to this agreement as Appendix C ("Images of Murals"). History San Jose shall provide the Authority with a working schedule and work plan for installation and deinstallation of the Murals prior to the transport of the Murals to the exhibition venue. The Authority, in consultation with the Fine Arts Museums of San Francisco, shall designate an agent to oversee and supervise all aspects of the installation and deinstallation of the Murals at the exhibition venue.

VI. PHOTOGRAPH AND PUBLICITY; SPECIAL EVENTS

VI.A. PHOTOGRAPH AND REPRODUCTIONS

History San Jose may reproduce the images for publicity and educational purposes only to promote, publicize, and provide information about the Murals. The Authority shall retain all copyright and ownership rights relating to such images. All original photography shall be returned to the Authority at the close of the exhibition. No commercial products reproducing any of the works will be made without the Authority's prior approval in writing. No photography will be permitted, except by the press or by special application and with supervision of the appropriate staff of the Authority.

Press previews involving photography and television coverage require the presence of a conservator, curator or representative of the Authority, to insure the safety of the Murals. Images to be reproduced for publicity shall be approved in advance by the Authority and when possible shall have an adjacent credit line correctly listing the caption and identifying the Authority as the owner and lender of the Murals.

History San Jose shall supply the Authority all attendance figures, installation photographs, samples of printed material and press clippings from the exhibition venue.

VI.B. SPECIAL EVENTS

History San Jose agrees to provide invitations to members of the Authority Board of Directors, City officials, Fine Arts Museums representatives, relevant staff and colleagues to the opening celebrations for the Exhibition of the Murals. The Authority shall provide History San Jose with a list of persons at least two months prior to any event.

VII. DEFAULT

Failure or refusal of History San Jose to perform or do any act herein required, or to ensure that History San Jose comply with all conditions of this Agreement, shall constitute a default. In addition to any other remedy available to the Authority, the Authority may terminate this

Agreement upon ten (10) days written notice to History San Jose. Such termination does not waive any other legal remedies available to the Authority. Upon any termination of this Agreement, History San Jose shall cooperate with the Authority in returning the Murals to the Authority in accordance with the provisions of Articles IV and V of this Agreement.

VIII. LIABILITY FOR LOSSES NOT COVERED BY INSURANCE/INDEMNIFICATION

History San Jose agrees to indemnify, defend and hold the Authority, the City and County of San Francisco, including their respective officers, agents, and/or employees, harmless from any and all claims, damages, losses, liabilities and expenses, including, but not limited to, attorneys' fees and costs of litigation (collectively "Claims") in connection with any accident, loss, injury, or damage to persons or property arising out of the acts, errors, or omissions of History San Jose, its officers, agents and/or employees, related to the performance of activities conducted pursuant to this Agreement, but only to the extent such Claims are attributable to the acts or omissions of History San Jose or its officers, agents, and/or employees. This clause refers only to claims not covered through the Authority's art insurance policy as set forth in Section III (Insurance), above. The terms of this Section VIII shall survive the expiration or earlier termination of this Agreement.

IX. DISPUTE RESOLUTIONS

Each of the parties pledges to use its best efforts to amicably resolve to their mutual satisfaction any non-insurance related disagreement arising out of this Agreement. The parties shall attempt to resolve any controversy through a panel that includes a representative of the Authority, a representative appointed by the Mayor of the City and County of San Francisco, and a representative of History San Jose. Failing this, the parties agree to attempt to resolve their disputes in non-binding arbitration in accordance with the rules of the American Arbitration Association in effect at the time the Agreement is entered into.

X. FORCE MAJEURE

Neither party shall be liable for any delay or failure to perform due to Force Majeure. "Force Majeure" with respect to a delay in or prevention of performance shall mean (a) any strike, lockout or other labor or industrial disturbance (whether or not on the part of the employees of either party), civil disturbance, future order claiming jurisdiction, act of the public enemy, war, riot, sabotage, blockade, embargo, inability to secure customary materials, supplies or labor through ordinary sources by reason of regulation or order of any government or regulatory body; (b) any changes in any applicable laws or the interpretation thereof; or (c) any flood, washout, explosion or any other cause beyond the reasonable control of the party from whom performance is required. Should any of these events occur, History San Jose shall notify the Authority as soon as possible.

XI. CANCELLATION

In the event of the premature termination of this Agreement by History San Jose, History San Jose will be billed and held responsible for paying all expenses incurred to the date of termination. Any costs incurred as a result of cancellation will also be charged to History San Jose. The terms of this Section XI shall survive the expiration or earlier termination of this Agreement.

XII. GOVERNING LAW; ATTORNEYS FEES

This Agreement shall be construed under and in accordance with the laws of the United States and the State of California. Every effort shall be made by both parties to avoid litigation and to affably work out to their mutual satisfaction any disagreement arising out of this Agreement. If either party commences an action against the other or a dispute arises under this Permit, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Authority shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience.

XIII. NOTICES

Any notices given under this Agreement shall be addressed to the Authority or History San Jose, as applicable, at their address set forth in Section 1 above. Notice shall be deemed given (a) two (2) business days after the date when it is deposited with the U.S. Mail, if sent by first class or certified mail, (b) one (1) business day after the date when it is deposited with an overnight carrier, if next business day delivery is required, (c) upon the date personal delivery is made, or (d) upon the date when it is sent by facsimile, if the sender receives a facsimile report confirming such delivery has been successful and the sender mails a copy of such notice to the other party by U.S. first class mail on such date.

XIV. SCOPE OF AGREEMENT

This Agreement and all exhibits and appendices referred to herein, shall constitute the entire understanding of the parties with respect to the Murals, and there are no terms or conditions mutually agreed upon which are not set forth herein. The Agreement and the rights hereby granted shall be personal and the parties may not assign their rights or obligations hereunder without the prior written consent of both parties. Mutually acceptable modifications in the Agreement and its Appendices may be made at any time in writing signed by both parties.

XV. SIGNATURES

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

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IN WITNESS WHEREOF, agreed to and accepted:

HISTORY SAN JOSE

By: _____
Alida Bray, President/CEO

Date

____ day of _____, 2009

**TREASURE ISLAND DEVELOPMENT
AUTHORITY**

By: _____
Mirian Saez
Director of Island Operations

Approved as to Form:

DENNIS J. HERRERA,
City Attorney

By: _____
Deputy City Attorney
Date

Appendix A ("Description of Murals")

Artist: Miguel Covarrubias

Painting: Suite of Murals: "Pageant of the Pacific"

Date: 1939-1940

Media: Duco lacquer on artist prepared Masonite support (est.)

Dimensions: There are 6 murals in total, one of which is missing and another is currently on loan elsewhere. 4 are comprised of 12 panels (arranged in 2 rows of six) and 2 are comprised of 4 panels (arranged in a row, side by side). The following murals are subject to this Agreement:

1. "Peoples of the Pacific" ca. 15' x 24' (178" x 288") overall, 12 panels
2. "Economy of the Pacific" ca. 15' x 24' (178" x 288") overall, 12 panels
3. "Native Dwellings of the Pacific Area" ca. 8' x 13' (98" x 156") overall, 4 panels
4. "Native Means of Transportation in the Pacific Area" ca. 8' x 13' (98" x 156") overall, 4 panels

Appendix B: Condition Report Books
Condition Report Books are kept with the Murals

Appendix C ("Images of Murals")
Taken at in Mexico City, MX June 2007

AGENDA ITEM 6H
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 10, 2009

Subject: Approval of the Amendment to the Grant Agreement with Kidango to Increase the Operating Subsidy for Child Care Services by \$5,340 For a Total Not to Exceed Amount of \$44,203, and to Extend the Term from September 1, 2009 through September 15, 2009

Contact Mirian Saez, Director of Island Operations
Phone (415) 274-0660

BACKGROUND

Kidango, Inc., a California nonprofit corporation, provides childcare services for infant, toddler, and pre-school age children. Kidango offers these services to residents and employees of Treasure and Yerba Buena Islands as well as to residents of San Francisco. Kidango is a member organization of the Treasure Island Homeless Development Initiative (TIHDI).

For over seven (7) years, the Treasure Island Development Authority (TIDA) has subleased Building 502 to Kidango.

On May 1, 2009, Kidango gave formal notice to its families that it would be terminating operations effective June 30, 2009. Kidango cited financial and staffing challenges as the primary reason for terminating its operations on Treasure Island.

On May 4, 2009, representatives of TIDA, TIHDI and the Department of Youth, Children and their Families (DCYF) met with staff from Kidango to discuss the closure of Kidango, and to explore ways to minimize an interruption in child care services on Treasure Island. During the meeting Paul Miller, the Kidango Executive Director, presented his current operating budget for the facility showing an operating loss. Both TIDA and TIHDI agreed to work with DCYF to identify a new child care service provider for the Island. Further, TIDA and TIHDI agreed to work collaboratively to keep the facility open until a new operator is identified. On May 13, 2009, the TIDA Board approved the TIDA Budget for Fiscal Year 2009-2010. Included in the budget was a Fifty Thousand Dollar (\$50,000) grant for Kidango.

At the June 10, 2009 TIDA Board of Directors meeting, the TIDA Board approved a Grant Agreement with Kidango to fund Kidango operations on Treasure Island through August 31, 2009. The TIDA Board also approved an extension of Kidango's Sublease for Building 502 on a month to month basis through August 31, 2009.

TIDA, TIHDI and DCYF have negotiated a Memorandum of Agreement (MOA) with San Francisco State University's Head Start Program to provide early childhood education and other services at the child care facility on Treasure Island for the term beginning September 16, 2009

and ending December 31, 2009. Kidango has agreed to continue providing childcare services at the facility in accordance with the Sublease and the Grant Agreement through September 15, 2009 so that there is no lapse in services, provided that the TIDA Board approve an increase in the grant amount by \$5,340 to subsidize Kidango's operating costs through the extended term. The total not to exceed amount of \$44,203 is within the budgeted amount approved by the TIDA Board.

FINANCIAL IMPACT

The Authority Board approved \$50,000.00 in the FY09-10 for the funding operation subsidy to Kidango.

RECOMMENDATION:

Project Staff recommends approval of the Amendment to the Grant Agreement to increase the operating subsidy for child care services by \$5,340 for a total not to exceed amount of \$44,203, and to extend the term of the Grant Agreement and the Sublease from September 1, 2009 through September 15, 2009.

EXHIBITS

Exhibit A First Amendment to Grant Agreement

Prepared by: Marianne Mazzucco Thompson, Public Information Officer
For: Mirian Saez, Director of Island Operations

Approval of the Amendment to the Grant Agreement with Kidango to Increase the Operating Subsidy for Child Care Services by \$5,340 For a Total Not to Exceed Amount of \$44,203, and to Extend the Term from September 1, 2009 through September 15, 2009.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America (the "Navy"); and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Kidango, Inc., a California non-profit corporation, provides childcare services for infant, toddler and pre-school age children to residents and employees of Treasure and Yerba Buena Islands as well as residents of San Francisco; and,

WHEREAS, Kidango is a member organization of the Treasure Island Homeless Development Initiative; and,

WHEREAS, The Authority and Kidango are parties to a Sublease (as amended, the "Kidango Sublease") under which the Authority has subleased Building 502 to Kidango for over seven (7) years for the operation of the Treasure Island childcare facility; and,

WHEREAS, Citing financial losses and staffing challenges, Kidango gave formal notice to the Authority and client families that it would cease providing child care services on Treasure Island effective June 30, 2009; and,

WHEREAS, Project Staff met with representatives of the Treasure Island Homeless Development Initiative, the San Francisco Department of Youth, Children and Their Families (DCYF) and staff from Kidango in a collaborative effort to keep the Treasure Island childcare facility open through August 31, 2009, to minimize an interruption in child care services on Treasure Island while the parties attempted to retain a replacement childcare facility operator; and,

WHEREAS, At its June 10, 2009 meeting, the Authority Board approved (i) the Grant Agreement with Kidango for a grant in the amount of \$38,863 to subsidize the continued operation of the Treasure Island childcare facility through August 31, 2009, and (ii) the extension of the Kidango Sublease on a month to month basis through August 31, 2009; and,

WHEREAS, Project staff are negotiating with San Francisco State University's Head Start Program to be the new provider of childcare services at Treasure Island commencing September 15, 2009 through December 31, 2009; and,

WHEREAS, In order to prevent a lapse in childcare services, Kidango has agreed to continue providing childcare services on Treasure Island in accord with its current operating schedule through September 15, 2009, subject to the Authority Board's approval of (i) an increase in the grant amount by \$5,340, for a total not to exceed amount of \$44,203, and (ii) an extension of the term of the Grant Agreement through September 15, 2009; Now Therefore, Be It

RESOLVED, That the Board of Directors hereby approves and authorizes the Director of Island Operations to enter into an Amendment to the Grant Agreement with Kidango, in substantially the form attached hereto as Exhibit A, to (i) increase the grant amount by \$5,340,

for a total not to exceed amount of \$44,203, for the purpose of supplementing Kidango's operating expenses through September 15, 2009, and (ii) extend the term of the Grant Agreement from September 1, 2009 through September 15, 2009; and, be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to extend the Kidango Sublease through September 15, 2009; and, be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations or her designee to enter into any additions, amendments or other modifications to the Grant Agreement and the Kidango Sublease that the Director of Island Operations or her designee determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Grant Agreement and the Kidango Sublease, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations or her designee of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

John Elberling, Secretary



ITEM 6H, EXHIBIT A
FIRST AMENDMENT TO GRANT AGREEMENT

THIS FIRST AMENDMENT TO GRANT AGREEMENT (this "First Amendment"), dated for reference purposes only as of September 1, 2009, is by and between the TREASURE ISLAND DEVELOPMENT AUTHORITY, a California public benefit corporation ("Authority"), and KIDANGO ("Grantee").

RECITALS

A. Authority and Grantee entered into that certain Grant Agreement dated for reference purposes as of July 1, 2009 (the "Original Grant Agreement"), to subsidize the continued operations at Kidango, the Child Development Center on Treasure Island, through August 31, 2009.

B. Authority and Grantee desire to amend the Original Grant Agreement to extend the Term and increase the Grant Funds on the terms and conditions set forth in this First Amendment.

C. The Original Grant Agreement and this First Amendment shall collectively be referred to as the "Grant Agreement". All capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Original Grant Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the Authority and Grantee hereby amend the Original Grant Agreement as follows:

AGREEMENT

1. **Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth herein.
2. **Effective Date.** The effective date of this First Amendment shall be September 1, 2009 (the "Effective Date").
3. **Term.** As of the Effective Date, the Duration of Term described in Section 3.2 of the Grant Agreement shall be amended to read as follows:

"The term of this Agreement shall commence on the later of (a) July 1, 2009 and (b) the effective date specified in Section 3.1. Such term shall end at 11:59 p.m. San Francisco time on **SEPTMEBER 15, 2009.**"

4. **Maximum Amount of Grant Funds.** As of the Effective Date, the Maximum Amount of Grant Funds described in Section 5.1 of the Grant Agreement shall be amended to read as follows:

"In no event shall the amount of Grant Funds disbursed hereunder exceed **FORTY-FOUR THOUSAND, TWO HUNDRED AND THREE DOLLARS (\$44,203.00).**"

5. **Counterparts.** This First Amendment may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof.

6. **Full Force and Effect.** Except as specifically amended herein, the terms and conditions of the Grant Agreement shall remain in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Authority and Grantee have executed this First Amendment to Grant Agreement at San Francisco, California, as of the date first above written.

TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____
Mirian Saez
Director of Island Operations

GRANTEE:

KIDANGO

By: _____

Its: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney

Amendment Prepared By: Richard A. Rovetti, Deputy Director of Real Estate _____
(initial)

AGENDA ITEM 61
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 10, 2009

Subject: Resolution Approving and Authorizing the Director of Island Operations to Execute Use Permit No. P-190 with Hartmann Studios, Inc., a California corporation, for the Production of Oracle OpenWorld Appreciation Event in 2009

Contact: Richard A. Rovetti, Deputy Director of Real Estate

Phone: 415-274-3365

BACKGROUND

In September 2008, the Authority entered into a Use Permit with Hartmann Studios Inc. ("Hartmann"), an event production company headquartered in Richmond, CA, for Hartmann to produce the 2008 Oracle OpenWorld Appreciation Event on Treasure Island. The Appreciation Event is a private event for Oracle Corporation's clients and customers held at the end of the yearly OpenWorld Convention held in San Francisco. Hartmann Studios utilized Hangar 3, the Hangar 3 parking lot, Pier 1, and unimproved areas surrounding the vicinity of Hangar 3 for event set-up, production of the event and production support. Additional parking lots on-Island were utilized for transportation and parking needs on the night of the event only. The 2008 Appreciation Event was attended by approximately 32,000 guests throughout the course of the evening, with all guests transported on and off the Island by shuttle buses.

On January 14, 2009, the Authority Board approved Use Permit No 118 with Hartmann for use of various areas of Treasure Island including Hangar Three and adjacent lots for the production of the 2009 Oracle OpenWork Appreciation Event scheduled for October 14, 2009.

The City and County of San Francisco, acting by and through its Film Commission (hereafter referred to as "Film Commission") entered into a month to month Sublease Agreement for certain real property located at Hangar Three commencing January 1, 2009 and expiring on August 31, 2009, for the production of the *Trauma* television pilot being filmed on location in San Francisco and Treasure Island. The network picked up the *Trauma* series so the Film Commission requested and the Authority approved an extension of the term of the Film Commission Sublease to November 30, 2009 to accommodate the filming of the first season of *Trauma* episodes. Authority staff notified Hartmann that it was exercising its right to revoke Use Permit No. 118 in order to accommodate the production of *Trauma*. In July 2009, Authority Staff and City representatives negotiated a new Use Permit with Hartmann for the 2009 Oracle OpenWorld Appreciation Event that excludes Hangar Three from the Premises.

USE PERMIT TERMS AND CONDITIONS

Hartmann will sign the Authority's standard form Use Permit document. The salient terms and conditions of the proposed Permit include the following:

Premises: Parcel A: Paved land located adjacent to Hanger 3; Parcel B: Pier space at Pier 1; Parcel C: Land located at the triangular lot at California Avenue, Avenues M and N, and 3rd Street; Parcel D: Land located at California Avenue and Avenue M between 3rd Street and Avenue I; Parcel E: Unpaved Land located at 3rd Street between Avenues I and M; Parcel F: Land located between Avenues M and I, 3rd and 5th Streets; Parcel G: Paved land located at the Great Lawn Parking Lot and Southside of Building 452, the Barracks; Parcel H: Paved land located between California Avenue, 4th Street, and Avenues B and C; Parcel I: Land located between Avenues N and M, and 3rd and 4th Streets; and Parcel J: Parking Lot adjacent to Building 140, the Nimitz Conference, Treasure Island.

Term: Parcels A, B, C, D, E, and I:
Commencement Date and Time:
September 28th, 2009 at 6:00 A.M.
Expiration Date and Time:
October 25th, 2009 at 11:59 P.M.

Parcels F:
Commencement Date and Time:
October 1, 2009 12:01 A.M.
Expiration Date and Time:
October 25, 2009 at 11:59 P.M.

Parcel G, H, and J:
Commencement Date and Time:
October 13th, 2009 at 12:01 A.M.
Expiration Date and Time:
October 15th, 2009 at 11:59 P.M.

October 14, 2009 is the Event Date. All other dates shall be for set-up and take-down purposes only.

Base Rent: Waived. The Premises will be provided at no fee in consideration of Oracle's OpenWorld event week generating an estimated financial benefit of over \$65 million to the City and County of San Francisco economy.

Use: To produce the Oracle OpenWorld 2009 Appreciation event, and for no other purpose whatsoever

Security Deposit:

Thirty Seven Thousand Five Hundred Dollars (\$37,500)

FINANCIAL IMPACT

The removal of Hangar 3 as a venue for this event will result in a decrease to the Authority's Special Event Budget by \$75,000 in FY09-10.

RECOMMENDATION

The Authority Staff recommends that the Authority Board of Directors approve the Use Permit with Hartmann Studios, Inc., a California corporation, and authorize the Director of Island Operations or her designee to execute said Use Permit for the production of Oracle OpenWorld Appreciation Event in 2009.

EXHIBIT A – Use Permit between TIDA and Hartmann Studios for 2009

Prepared by: Richard A. Rovetti, Deputy Director of Real Estate
For: Mirian Saez, Director of Island Operations

USE PERMIT TERMS AND CONDITIONS

Hartmann will sign the Authority's standard form Use Permit document. The salient terms and conditions of the proposed Permit include the following:

Premises:

Parcel A: Paved land located adjacent to Hanger 3; Parcel B: Pier space at Pier 1; Parcel C: Land located at the triangular lot at California Avenue, Avenues M and N, and 3rd Street; Parcel D: Land located at California Avenue and Avenue M between 3rd Street and Avenue I; Parcel E: Unpaved Land located at 3rd Street between Avenues I and M; Parcel F: Land located between Avenues M and I, 3rd and 5th Streets; Parcel G: Paved land located at the Great Lawn Parking Lot and Southside of Building 452, the Barracks; Parcel H: Paved land located between California Avenue, 4th Street, and Avenues B and C; Parcel I: Land located between Avenues N and M, and 3rd and 4th Streets; and Parcel J: Parking Lot adjacent to Building 140, the Nimitz Conference, Treasure Island.

Term:

Parcels A, B, C, D, E, and I:
Commencement Date and Time:
September 28th, 2009 at 6:00 A.M.
Expiration Date and Time:
October 25th, 2009 at 11:59 P.M.

Parcels F:
Commencement Date and Time:
October 1, 2009 12:01 A.M.
Expiration Date and Time:
October 25, 2009 at 11:59 P.M.

Parcel G, H, and J:
Commencement Date and Time:
October 13th, 2009 at 12:01 A.M.
Expiration Date and Time:
October 15th, 2009 at 11:59 P.M.

October 14, 2009 is the Event Date. All other dates shall be for set-up and take-down purposes only.

Base Rent:

Waived. The Premises will be provided at no fee in consideration of Oracle's OpenWorld event week generating an estimated financial benefit of over \$65 million to the City and County of San Francisco economy.

Use:

To produce the Oracle OpenWorld 2009 Appreciation event, and for no other purpose whatsoever

Security Deposit:

Thirty Seven Thousand Five Hundred Dollars (\$37,500)

FINANCIAL IMPACT

The removal of Hangar 3 as a venue for this event will result in a decrease to the Authority's Special Event Budget by \$75,000 in FY09-10.

RECOMMENDATION

The Authority Staff recommends that the Authority Board of Directors approve the Use Permit with Hartmann Studios, Inc., a California corporation, and authorize the Director of Island Operations or her designee to execute said Use Permit for the production of Oracle OpenWorld Appreciation Event in 2009.

EXHIBIT A – Use Permit between TIDA and Hartmann Studios for 2009

Prepared by: Richard A. Rovetti, Deputy Director of Real Estate
For: Mirian Saez, Director of Island Operations

[Use Permit with Hartmann Studios, Inc.]

Resolution Approving and Authorizing the Director of Island Operations to Execute Use Permit No. P-190 with Hartmann Studios, Inc., a California corporation, for the Production of Oracle OpenWorld Appreciation Event in 2009

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America, acting by and through the Department of the Navy; and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco (the "City"); and,

WHEREAS, On January 14, 2009, the Authority Board approved Use Permit No 118 with Hartmann Studios Inc. ("Hartmann") for use of various areas of Treasure Island including Hangar Three and adjacent lots, for the production of the 2009 Oracle OpenWork Appreciation Event scheduled for October 14, 2009; and,

WHEREAS, The Appreciation Event is a private event for Oracle Corporation's clients and customers held at the end of the yearly OpenWorld Convention held in San Francisco; and,

WHEREAS, The City and County of San Francisco, acting by and through its Film Commission (hereafter referred to as "Film Commission") entered into a month to month

[Use Permit with Hartmann Studios, Inc.]

Resolution Approving and Authorizing the Director of Island Operations to Execute Use Permit No. P-190 with Hartmann Studios, Inc., a California corporation, for the Production of Oracle OpenWorld Appreciation Event in 2009

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America, acting by and through the Department of the Navy; and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco (the "City"); and,

WHEREAS, On January 14, 2009, the Authority Board approved Use Permit No 118 with Hartmann Studios Inc. ("Hartmann") for use of various areas of Treasure Island including Hangar Three and adjacent lots, for the production of the 2009 Oracle OpenWork Appreciation Event scheduled for October 14, 2009; and,

WHEREAS, The Appreciation Event is a private event for Oracle Corporation's clients and customers held at the end of the yearly OpenWorld Convention held in San Francisco; and,

WHEREAS, The City and County of San Francisco, acting by and through its Film Commission (hereafter referred to as "Film Commission") entered into a month to month

Sublease Agreement for certain real property located at Hanger Three commencing January 1, 2009 and expiring on August 31, 2009, for the production of the *Trauma* television pilot being filmed on location in San Francisco and Treasure Island; and,

WHEREAS, The network picked up the *Trauma* series so the Film Commission requested and the Authority approved an extension of the term of the Film Commission Sublease to November 30, 2009 to accommodate the filming of the first season of *Trauma* episodes; and,

WHEREAS, Authority staff notified Hartmann that it was exercising its right to revoke Use Permit No. 118 in order to accommodate the production of *Trauma*, and in July 2009, Authority Staff and City representatives negotiated a new Use Permit with Hartmann for the 2009 Oracle OpenWorld Appreciation Event that excludes Hanger Three from the Premises; and,

WHEREAS, Although the Premises will be provided at no fee, Authority Staff believes the consideration of Oracle's OpenWorld event week generating an estimated financial benefit of over \$65 million to the City and County of San Francisco economy represents fair market value for this Use Permit at this time; now, therefore, be it

RESOLVED, That the Board of Directors hereby approves the Use Permit with Hartmann Studios, Inc., a California corporation, for use of various land on Treasure Island for the purpose of producing the Oracle OpenWorld Appreciation Event for a term commencing September 28, 2009 and expiring October 25, 2009, and authorizes the Director of Island Operations or her designee to execute said Use Permit in substantially the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, That the Board of Directors hereby finds that (i) entering into the Use Permit will serve the goals of the Authority and the public interests of the City, and (ii) the terms and conditions of the Use Permit are economically reasonable; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations or her designee to enter into any additions, amendments or other modifications to the Use Permit that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Use Permit, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations or her designee of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

John Elberling, Secretary



ITEM 61, EXHIBIT A

P-190
USE PERMIT

THIS USE PERMIT (this "Permit") dated for reference only as of August 18, 2009, is made by and between the Treasure Island Development Authority ("Authority") and Hartmann Studios, Inc., a California corporation ("Permittee").

RECITALS

WHEREAS, pursuant to that certain Lease between the United States of America and Treasure Island Development Authority for Event Venues Naval Station Treasure Island, and that certain Lease between the United States of America and Treasure Island Development Authority for South Waterfront Naval Station Treasure Island and that certain Lease between the United States of America and Treasure Island Development Authority for Land and Structures Naval Station Treasure Island, and that certain License for Non-Federal Use of Real Property No. N4769209RP09P43 (collectively, the "Master Lease"), all by and between the Authority and the Department of Navy (the "Navy"), copies of which are attached hereto as Exhibit A, the Authority has the right to use that certain property located on Naval Station Treasure Island (the "Property"), as more particularly described in the Master Lease; and

WHEREAS, Authority and Permittee entered into Permit P-117 (the "Original Permit") dated for reference purposes as of January 15, 2009, for various real property located on Treasure Island, San Francisco, California, as more particularly described in the Original Permit (the "Original Premises"). Portions of the Original Premises have become unavailable and the Original Permit was revoked and terminated in accordance with its terms.

WHEREAS, Permittee seeks to use other portions of the Property for the purposes stated herein, and Authority and Permittee have agreed to enter into this new Permit on the terms and conditions described below.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Authority and Permittee agree as follows:

1. Basic Permit Information

The following is a summary of the basic permit information (the "Basic Permit Information"). Each item below shall be deemed to incorporate all of the terms of this Permit pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of the Permit, the more specific provision shall control.

Authority:	TREASURE ISLAND DEVELOPMENT AUTHORITY, a California nonprofit public benefit corporation
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Permittee:	HARTMANN STUDIOS, INC., a California corporation
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Premises (Section 2):

Parcel A: Paved land located adjacent to Hanger 3;

Parcel B: Pier space at Pier 1;

Parcel C: Land located at the triangular lot at California Avenue, Avenues M and N, and 3rd Street;

Parcel D: Land located at California Avenue and Avenue M between 3rd Street and Avenue I;

Parcel E: Unpaved Land located at 3rd Street between Avenues I and M;

Parcel F: Land located between Avenues M and I, 3rd and 5th Streets;

Parcel G: Paved land located at the Great Lawn Parking Lot and Southside of Building 452, the Barracks;

Parcel H: Paved land located between California Avenue, 4th Street, and Avenues B and C;

Parcel I: Land located between Avenues N and M, and 3rd and 4th Streets; and

Parcel J: Parking Lot adjacent to Building 140, the Nimitz Conference, all as more particularly shown on Exhibit B, attached hereto.

Structural Report (Section 5):

"Seismic Evaluation of Buildings 2 and 3: Volume I – Project Report" prepared for the City and County of San Francisco by SOH & Associates, July 19, 1996.

Permitted Use (Section 6):

To produce the Oracle OpenWorld 2009 event, and for no other purpose whatsoever

Parking Rights (Section 7):

No more than 1,500 vehicles are permitted to park at the Premises for the event. All vehicles must be parked within Parcels A, B, C, D, E, F, G, H, I and J as shown on Exhibit B, at all times.

Permit Fees (Section 11):

Waived. The Premises will be provided at no fee in consideration of Oracle's OpenWorld event week generating an estimated financial benefit of over \$65 million to the City and County of San Francisco economy.

Term (Section 12):

Parcels A, B, C, D, E, and I:

Commencement Date and Time:

September 28th, 2009 at 6:00 A.M.

Expiration Date and Time:

October 25th, 2009 at 11:59 P.M.

Parcels F:

Commencement Date and Time:

October 1, 2009 12:01 A.M.

Expiration Date and Time:

October 25, 2009 at 11:59 P.M.

Parcel G, H, and J:

Commencement Date and Time:

October 13th, 2009 at 12:01 A.M.

Expiration Date and Time:

October 15th, 2009 at 11:59 P.M.

October 14, 2009 is the Event Date. All other dates shall be for set-up and take-down purposes only.

Utilities (Section 19):

Permittee shall contract directly with the San Francisco Public Utilities Commission (PUC) for utilities and shall pay associated costs directly to PUC

Additional Permittee Requirements:

This Use Permit is issued subject to Permittee's compliance with the following requirements, subject to review by the Authority or the applicable City and County of San Francisco permitting departments:

- Approval by the San Francisco Police Department of a Transportation Management Plan addressing event traffic flow for arrival to and exit from Treasure Island; and of a Security Plan for the event. Reasonable and customary SF Police Officers needed for the event will be at the full cost of Hartmann Studios.
- Proof of issuance of all event-specific permits required by San Francisco Fire Department, Department of Building Inspection and Department of Public Health related to an Emergency Medical Plan, public assembly, temporary erection of tenting and other temporary structures, open flame, hazardous materials storage and food and beverage service. Reasonable and customary SFFD staffing needed for the event will be at the full cost of Hartmann Studios.
- Submittal to the Authority of a Waste Reduction Plan for the event, including proof of refuse service, a detailed recycling plan and/or proof of an event contract with an event recycling organization approved by the City and County of San Francisco's Department of the Environment.

Insurance Limits (Section 21):

Worker's Compensation Insurance - statutory amounts

Employers' Liability Coverage with limits of not less than \$1,000,000 for each accident or occurrence

Comprehensive or Commercial General Liability Insurance with limits not less than \$3,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage

Comprehensive or Business Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage

Address for Notices (Section 26):

Authority: Treasure Island Development Authority
410 Avenue of the Palms
Building 1, 2nd Floor
Treasure Island
San Francisco, CA 94130
Attn.: Director of Island Operations
Phone No.: (415) 274-0660
Fax No.: (415) 274-0299

Permittee: Hartmann Studios Incorporated
70 West Ohio Avenue
Richmond, CA 94804
Attn.: Mike Guelfi
Phone No.: 510-232-5030
Fax No.: 510-232-4301

Security Deposit (Section 33): Thirty Seven Thousand Five Hundred Dollars
(\$37,500)

2. License of Premises. Authority confers to Permittee a revocable, personal, non-exclusive and non-possessory license to enter upon and use the Premises described in the Basic Permit Information for the limited purpose and subject to the terms, conditions and restrictions set forth below.

This Permit does not constitute a grant to Permittee of any ownership, leasehold, easement or other property interest or estate in the Premises. Authority is acting only in its proprietary capacity in granting the license given to Permittee under this Permit. Permittee acknowledges that (i) such grant is effective only insofar as Authority's rights in the Premises; and (ii) Permittee must separately obtain all regulatory approvals of Authority, the City and County of San Francisco ("City") or any other applicable governmental entity necessary for the Permitted Uses. Permittee shall bear all costs or expenses of any kind in connection with its use of the Premises or any other Master Lease Property.

3. Inspection of Premises. Permittee represents and warrants that Permittee has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns, and each of them ("Permittee's Agents"), of the Premises and the suitability of the Premises for Permittee's intended use. Permittee is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses.

4. As Is; Disclaimer of Representations. Permittee acknowledges and agrees that the Premises are being licensed and accepted in their "AS IS, WITH ALL FAULTS" condition, without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties ("Laws"), governing the use, occupancy, management, operation and possession of the Premises. Without limiting the foregoing, this

Permit is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Permittee acknowledges and agrees that neither Authority nor any of its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns ("Authority's Agents") have made, and Authority hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or environmental condition of the Premises, (iii) the quality, nature or adequacy of any utilities serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the Premises if required for Permittee's use and permitted under this Permit, (v) the safety of the Premises, whether for the use of Permittee or any other person, including Permittee's Agents or Permittee's clients, customers, vendors, invitees, guests, members, licensees, assignees or permittees ("Permittee's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

5. Seismic Report and Structural Report. Without limiting Section 4 above, Permittee expressly acknowledges for itself and Permittee's Agents that it received and read that certain report dated August 1995, entitled "*Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions*," prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Permittee has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing. The Seismic Report, among other matters, describes the conditions of the soils on Treasure Island and points out that in the area of the Property where the Premises are located, an earthquake of magnitude 7 or greater is likely to cause the ground under and around the Premises to spread laterally to a distance of ten (10) or more feet and/or result in other risks. In that event, there is a significant risk that buildings and any other structures or improvements located on or about the Premises may fail structurally and collapse. Permittee further expressly acknowledges for itself and Permittee's Agents that it received and read that certain Structural Report identified in the Basic Permit Information, a copy of which is attached hereto as Exhibit D (the "Structural Report").

6. Use of Premises. Permittee may enter and use the Premises for the sole purpose described in the Basic Permit Information. Permittee shall not use, and Permittee shall prohibit Permittee's Agents and Permittee's Licensees from using, the Premises for any activities other than the Permitted Uses. Permittee agrees that, by way of example only and without limitation, the following uses of the Premises by Permittee, or any of Permittee's Agents or Permittee's Invitees, or any other person claiming by or through Permittee, are inconsistent with the limited purpose of this Permit and are strictly prohibited as provided below:

(a) Hazardous Material. Permittee shall not cause, nor shall Permittee allow any of Permittee's Agents or Permittee's Invitees to cause, any Hazardous Material (as defined below) to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises, or transported to or from the Premises without the prior written consent of Authority. Permittee shall immediately notify Authority when Permittee learns of, or has reason to believe that, a release of Hazardous Material has occurred in, on or about the Premises. Permittee shall further comply with all laws requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary to mitigate the release or minimize the spread of contamination. In the event that Permittee or Permittee's Agents or Permittee's Invitees cause a release of Hazardous Material, Permittee shall, without cost to Authority and in accordance with all laws and regulations, return the Premises to the condition immediately prior to the release. In connection therewith, Permittee shall afford

Authority a full opportunity to participate in any discussion with governmental agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree or other compromise proceeding involving Hazardous Material. For purposes hereof, "**Hazardous Material**" means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 *et seq.*, or pursuant to Section 25316 of the California Health & Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the Premises or are naturally occurring substances in the Premises, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids. The term "**release**" or "**threatened release**" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Premises.

(b) **Nuisances.** Permittee shall not conduct any activities on or about the Premises that constitute waste, nuisance or unreasonable annoyance (including, without limitation, emission of objectionable odors, noises or lights) to Authority, to the owners or occupants of neighboring property or to the public.

(c) **Damage.** Permittee shall not do anything about the Premises that could cause damage to the Premises or any Authority property.

7. **Parking.** Permittee shall be allowed to park up to the number of vehicles set forth in the Basic Permit Information in the area designated for parking on Exhibit B attached hereto. To the extent practicable, Permittee shall use its best efforts to encourage ride-sharing, the use of shuttle busses or other pooled-means of transportation to and from the Premises.

8. **Resource Conservation and Sustainability.** Authority is committed to managing the Premises in as sustainable a manner as possible. In addition to Permittee's compliance with the requirements of Section 32 below, Permittee shall use its best efforts to conduct its operations in accordance with sustainable practices and shall conduct its operations in accordance with all applicable environmental laws.

California State Bill, AB 2176 (Montanez, Chapter 879, Statutes of 2004) and the San Francisco Environment Code require all operators of large events to maximize recycling and minimize waste in order to achieve high rates of landfill diversion. If Permittee's use of the Premises will host over 1,000 people, Permittee shall comply with the following requirements not later than thirty (30) days prior to the scheduled event:

- A. Submit a recycling and waste reduction plan to the Treasure Island Event Coordinator.
- B. Provide proof of attendance at an event recycling workshop or hire an approved event recycling crew. Contact the SF Department of the Environment's recycling program at 355-3754 for more information on workshops and approved recycling services.

- C. Submit proof of recycling, trash and composting (if applicable) collection services. Proof of service can be obtained from the permitted refuse hauler, Golden Gate Disposal and Recycling (www.sfrecycling.com or 330-1300).

9. **Subject to Authority and City Uses.** Notwithstanding anything to the contrary in this Permit, Permittee's right to use the Premises hereunder shall be subject and subordinate to Authority and City's uses of the Premises for municipal purposes. In addition, Permittee acknowledges that the Property contains a variety of different event venues and outdoor public spaces and it is common for numerous events to be held at various venues on the Property on the same day.

10. **Alterations.** Except as otherwise expressly provided herein, Permittee shall not construct or place any temporary or permanent structures, improvements or signs in, on, under or about the Premises, nor shall Permittee make any alterations, installations or additions ("Alterations") to any of the existing structures, improvements or signs on the Premises, unless Permittee first obtains Authority's prior written consent, which Authority may give or withhold in its sole and absolute discretion. Subject to Authority's consent as provided above, any permitted Alterations shall be done at Permittee's sole expense (i) in strict accordance with plans and specifications approved in advance by Authority in writing, (ii) by duly licensed and bonded contractors approved by Authority, (iii) in a good and professional manner, (iv) in strict compliance with all applicable laws and regulations, and (v) subject to all other conditions that Authority may reasonably impose. Upon termination of this Permit, Permittee shall remove all Alterations constructed or affixed to the Premises by or on behalf of Permittee and repair, at its sole cost and expense, any damage to the Premises caused by the installation or removal of such Alterations.

Without limiting the generality of the foregoing, Permittee acknowledges and agrees that, pursuant to Section 15 of the Master Lease, no Alterations may be made to any improvements on the Premises (i) which will affect the historic characteristics of the improvements or modify the appearance of the exterior of the improvements without Navy's and Authority's prior written consent, or (ii) if such Alterations would preclude qualifying the improvements for inclusion on the National Register for Historic Places.

11. **Permit Fee.** Permittee shall pay to Authority a one-time non-refundable permit fee in the amount set forth in the Basic Permit Information for its use of the Premises as provided hereunder. Such fee is payable at such time as Permittee signs and delivers this Permit to Authority. Within five (5) days after demand therefor, Permittee shall pay all applicable City departments for the costs incurred by those departments in providing the use of City employees, equipment, property and facilities in connection with this Permit.

12. **Term of Permit; Revocability.** The privilege conferred to Permittee pursuant to this Permit shall commence on Commencement Date and Time set forth in the Basic Permit Information and shall automatically expire on the Expiration Date and Time set forth in the Basic Permit Information, unless amended in writing or sooner terminated or revoked pursuant to the terms hereof. Moreover, if the Master Lease terminates for any reason whatsoever, this Permit shall automatically terminate. Without limiting any of its rights hereunder, Authority may revoke this Permit at any time prior to the Expiration Date and Time, without cause and without any obligation to pay any consideration to Permittee.

13. **Compliance with Laws.** Permittee shall, at its expense, conduct and cause to be conducted all activities on the Premises allowed hereunder in a safe and reasonable manner and in compliance with all laws, regulations, ordinances and orders of any governmental or other

regulatory entity (including, without limitation, the Americans with Disabilities Act) whether presently in effect or subsequently adopted and whether or not in the contemplation of the parties. Such laws shall include, but are not limited to, local, state and federal laws prohibiting discrimination in employment and public accommodations and regulating the posting of signs on public property. Permittee shall, at its sole expense, procure and maintain in force at all times during its use of the Premises any and all business and other licenses or approvals necessary to conduct the activities allowed hereunder. Permittee understands and agrees that Authority is entering into this Permit in its capacity as a property owner with a proprietary interest in the Premises and not as a regulatory agency with police powers. Permittee further understands and agrees that no approval by Authority for purposes of this Permit shall be deemed to constitute approval of any federal, state, Authority or other local regulatory authority with jurisdiction, and nothing herein shall limit Permittee's obligation to obtain all such regulatory approvals at Permittee's sole cost or limit in any way Authority's exercise of its police powers. Without limiting the foregoing, before beginning any work in the Premises and/or using the Premises, Permittee at its sole cost and expense shall obtain any and all permits, licenses and approvals (collectively, "approvals") of all regulatory agencies and other third parties that are required to commence and complete the permitted work and use the Premises including, but not limited to, approvals required by the San Francisco Fire Department (e.g., General Assembly, Tent, Open Flame, Propane, etc.), the San Francisco Police Department (e.g., alcohol consumption and/or sales), the San Francisco Entertainment Commission (e.g., Loudspeaker, Itinerant Show, etc.), San Francisco Department of Building Inspection (e.g., electrical), the San Francisco Department of Health, and the California Department of Alcoholic Beverage Control (e.g., alcohol consumption and/or sales). Permittee shall provide copies of all such approvals to Authority prior to Permittee's use of the Premises.

14. Security. In addition to the Permit Fee described in Section 11 above, Permittee shall provide the security, police and medical support services described on Exhibit E, attached hereto, at its sole cost and expense.

15. Rules and Regulations. In connection with the Permittee's use hereunder, Permittee shall comply with the Rules and Regulations attached hereto as Exhibit F. Authority reserves the right, in its sole discretion, to change such Rules and Regulations as necessary to promote or protect the public safety, health or convenience. Authority shall give Permittee reasonable prior notice of such changes; provided, however, that no such prior notice shall be required in emergency situations.

16. Surrender; No Holding Over. Upon the expiration of this Permit, Permittee shall surrender the Premises in the same condition as received, free from hazards and clear of all debris. At such time, Permittee shall remove all of its property from the Premises permitted hereunder, and shall repair, at its cost, any damage to the Premises caused by such removal. Permittee's obligations under this Section shall survive any termination of this Permit.

If Permittee fails to surrender the Premises to Authority upon the expiration or earlier termination of this Permit as required by this Section, Permittee shall indemnify, protect, defend and hold harmless forever ("Indemnify") Authority against all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses") resulting therefrom, including, without limitation, Losses made by a succeeding permittee resulting from Permittee's failure to surrender the Premises. Permittee shall have no right to hold over without the prior written consent of Authority, which consent may be withheld in Permittee's sole and absolute discretion. If Permittee holds over the Premises or any part thereof after expiration or earlier termination of this Permit, such holding over shall be terminable upon written notice by Permittee, and the Permit Fee shall be increased

to two hundred percent (200%) of the Permit Fee in effect immediately prior to such holding over, calculated on a per diem basis, and such holdover shall otherwise be on all the other terms and conditions of this Permit. This Section shall not be construed as Authority's permission for Permittee to hold over. Acceptance of any holdover Permit Fee by Authority following expiration or termination of this Permit shall not constitute an extension or renewal of this Permit.

17. Repair of Damage. If requested by Authority, Permittee shall promptly, at its sole cost and expense, repair any and all damage to the Premises and any personal property located thereon caused by Permittee or Permittee's Agents or Invitees. Permittee shall obtain Authority's prior written approval of any party to be used by Permittee to conduct such repair work. Alternatively, Authority may make such repairs or behalf of Permittee at Permittee's sole cost and expense. If Permittee damages Authority or Navy facilities or any personal property, the final repair costs owed by Permittee shall be determined by Authority in its sole and absolute discretion, and shall be paid by Permittee within five (5) days after Permittee's demand therefor. Permittee's obligations under this Section shall survive the cancellation, expiration or termination of this Permit.

18. Public Safety. Permittee agrees to conduct the Permitted Uses at all times in a safe and prudent manner with full regard to the public safety and to observe all applicable regulations and requests of Authority and other government agencies responsible for public safety.

19. Utilities. Authority has no responsibility or liability of any kind with respect to any utilities that may be on, in or under the Premises. Permittee shall locate any such utilities and protect them from damage arising out of Permittee's activities. Permittee shall be solely responsible for arranging and paying for all utilities necessary in connection with the Permitted Uses as set forth in the Basic Permit Information. Any such payment shall be due and payable within five (5) days after demand therefor.

20. Release and Waiver of Claims; Indemnification

20.1. Release and Waiver of Claims. Permittee, on behalf of itself and Permittee's Agents, covenants and agrees that the Authority shall not be responsible for or liable to Permittee for, and, to the fullest extent allowed by any Laws, Permittee hereby waives all rights against the Authority and releases them from, any and all Losses, including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the buildings thereon due to an earthquake or subsidence, except only to the extent such Losses are caused exclusively by the gross negligence or willful misconduct of the Authority (except as provided in Section 20.1(a) below). Without limiting the generality of the foregoing:

(a) Without limiting any other waiver contained herein, Permittee on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Authority from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the Authority's decision to allow Permittee to use the Premises, regardless of whether or not such decision is or may be determined to be an act of gross negligence or willful misconduct of the Authority.

(b) Permittee covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Authority any claim, action or

proceeding based upon any claims, demands, causes of action, obligations, damages, losses, costs, expenses or liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this Section 20.1.

(c) In executing these waivers and releases, Permittee has not relied upon any representation or statement other than as expressly set forth herein.

(d) Permittee has made such investigation of the facts pertaining to these waivers and releases as it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Permittee regardless of any claims of mistake.

(e) In connection with the foregoing releases, Permittee acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

20.2. Acknowledgment. Permittee acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Permittee realizes and acknowledges that it has agreed upon this Permit in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Permit.

20.3. Permittee's Indemnity. Permittee, on behalf of itself and Permittee's Agents, shall Indemnify the Authority from and against any and all Losses, expressly including but not limited to, any Losses arising out of a partial or complete collapse of any building located on the Premises due to an earthquake or subsidence, incurred in connection with or arising directly or indirectly, in whole or in part, out of: (a) any damage to or destruction of any property owned by or in the custody of Permittee or Permittee's Agents or Permittee's Invitees; (b) any accident, injury to or death of a person, including, without limitation, Permittee's Agents and Permittee's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises; (c) any default by Permittee in the observation or performance of any of the terms, covenants or conditions of this Permit to be observed or performed on Permittee's part; (d) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Permittee, Permittee's Agents or Permittee's Invitees or any person or entity claiming through or under any of them, of the Premises or any Alterations; (e) the condition of the Premises; (f) any construction or other work undertaken by Permittee on or about the Premises whether before or during the Term of this Permit; or (g) any acts, omissions or negligence of Permittee, Permittee's Agents or Permittee's Invitees, or of any trespassers, in, on or about the Premises or any alterations; except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Permit and further except only to the extent such Losses are caused by the gross negligence and intentional wrongful acts and omissions of the Authority. Notwithstanding the foregoing, Permittee's obligations to indemnify the Authority under this Section 20.3 shall remain in full force and effect regardless of whether or not the Authority' decision to permit the Premises to the Permittee, given the seismic condition of the property, is or may be determined to be an act of gross negligence or willful misconduct of the Authority. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and

Authority's costs of investigating any Loss. Permittee specifically acknowledges and agrees that it has an immediate and independent obligation to defend Authority from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Permittee by Authority and continues at all times thereafter. Permittee's obligations under this Section shall survive the expiration or sooner termination of this Permit. Notwithstanding anything contained herein, to the extent such Losses are not covered by insurance required herein and subject to this Section 20.3, Permittee shall have no obligation to repair, restore or reconstruct the Premises (or to pay for the same) in the event the Premises are damaged or destroyed by an earthquake or subsidence or by any other uninsured casualty.

21. INSURANCE

21.1. Permittee's Insurance. Permittee shall procure and maintain throughout the Term of this Permit and pay the cost thereof the following insurance:

(a) If Permittee has employees, Worker's Compensation Insurance in statutory amounts, with Employers' Liability Coverage with limits of not less than the amount set forth in the Basic Permit Information; and

(b) Comprehensive or Commercial General Liability Insurance with limits not less than the amount set forth in the Basic Permit Information, including coverage for Contractual Liability, Host Liquor Liability, Personal Injury, Advertising Liability, Independent Contractors, Explosion, Collapse and Underground (XCU), Broad Form Property Damage, Products Liability, Completed Operations and Sudden and Accidental Pollution; and

(c) Comprehensive or Business Automobile Liability Insurance with limits not less than the amount set forth in the Basic Permit Information, including coverage for owned, non-owned and hired automobiles, if applicable, which insurance shall be required if any automobiles or any other motor vehicles are operated in connection with Permittee's activity on, in and around the Premises; and

(d) Such other insurance as required by law or as the City's Risk Manager may require.

21.2. Claims Made Policy. Should any of the required insurance be provided under a claims-made form, Permittee shall maintain such coverage continuously throughout the term of this Permit, and, without lapse, for two (2) years beyond the expiration of this Permit, to the effect that, should occurrences during the Term give rise to claims made after expiration of this Permit, such claims shall be covered by such claims-made policies.

21.3. Annual Aggregate Limit. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be not less than double the occurrence limits specified above.

21.4. Additional Insureds. Liability policies shall be endorsed to name as additional insureds the "Treasure Island Development Authority, City and County of San Francisco, United States of America, acting by and through the Department of the Navy, and their officers, directors, employees and agents" (Insurance Certificate with Endorsement for such additional insureds).

21.5. Payment of Premiums. Permittee shall pay all the premiums for maintaining all required insurance.

21.6. Waiver of Subrogation Rights. Notwithstanding anything to the contrary contained herein, Authority and Permittee (each a "Waiving Party") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this Permit or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Premises; provided, the failure to obtain any such endorsement shall not affect the above waiver.

21.7. General Insurance Matters.

(a) All insurance policies shall be endorsed to provide thirty (30) days prior written notice of cancellation, non-renewal or reduction in coverage or limits to Authority at the address for Notices specified in the Basic Permit Information.

(b) All insurance policies shall be endorsed to provide that such insurance is primary to any other insurance available to the additional insureds with respect to claims covered under the policy and that insurance applies separately to each insured against whom claim is made or suit is brought, but the inclusion of more than one insured shall not operate to increase the insurer's limit of liability.

(c) Before commencement of activities under this Permit, certificates of insurance and brokers' endorsements, in form and with insurers acceptable to Authority, shall be furnished to Authority, along with complete copies of policies if requested by Authority.

(d) All insurance policies required to be maintained by Permittee hereunder shall be issued by an insurance company or companies reasonably acceptable to Authority with an AM Best rating of not less than A-VIII and authorized to do business in the State of California.

21.8. No Limitation on Indemnities. Permittee's compliance with the provisions of this Section shall in no way relieve or decrease Permittee's indemnification obligations herein or any of Permittee's other obligations or liabilities under this Permit.

21.9. Lapse of Insurance. Notwithstanding anything to the contrary in this Permit, Authority may elect in Authority's sole and absolute discretion to terminate this Permit upon the lapse of any required insurance coverage by written notice to Permittee.

21.10. Permittee's Personal Property. Permittee shall be responsible, at its expense, for separately insuring Permittee's Personal Property.

22. No Assignment. This Permit is personal to Permittee and shall not be assigned, conveyed or otherwise transferred by Permittee under any circumstances.

23. No Joint Venture or Partnership; Independent Contractor. This Permit does not create a partnership or joint venture between Authority and Permittee. Permittee shall be solely responsible for all matters relating to the payment of its employees, including, without limitation, compliance with any federal, state or local law and all other regulations governing such matters.

24. Impossibility of Performance. If, for any reason, an unforeseen event occurs which is beyond the control of Authority or Permittee, including, but not limited to, fire, casualty or labor strike, which event renders impossible the fulfillment of any term of this Permit, Permittee and Authority shall have no right to nor claim for damages against the other.

25. Possessory Interest Taxes; Payment of Taxes. Permittee recognizes and understands that this Permit may create a possessory interest subject to property taxation and that Permittee may be subject to the payment of property taxes levied on such interest under applicable law. Permittee agrees to pay taxes of any kind, including possessory interest taxes, if any, that may be lawfully assessed on Permittee's interest under this Permit or use of the Premises pursuant hereto and to pay any other taxes, excises, licenses, permit charges, possessory interest taxes, or assessments based on Permittee's usage of the Premises that may be imposed upon Permittee by applicable law.

26. Notices. Except as otherwise provided herein, any notices given under this Permit shall be addressed to the Authority and Permittee at the addresses set forth in the Basic Permit Information. Notice shall be deemed given (a) two (2) business days after the date when it is deposited with the U.S. Mail, if sent by first class or certified mail, (b) one (1) business day after the date when it is deposited with an overnight carrier, if next business day delivery is required, (c) upon the date personal delivery is made, or (d) upon the date when it is sent by facsimile, if the sender receives a facsimile report confirming such delivery has been successful and the sender mails a copy of such notice to the other party by U.S. first class mail on such date.

27. MacBride Principles - Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, *et seq.* The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Permittee acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

28. Non-Discrimination.

28.1 Covenant Not to Discriminate. In the performance of this Permit, Permittee covenants and agrees not to discriminate on the basis of any fact or perception of a person's race, color, creed, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, height, weight or acquired immune deficiency (AIDS) or HIV syndrome against any employee of, any City or Authority employee working with, or applicant for employment with, Permittee, in any of Permittee's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Permittee.

28.2 Subcontracts. Permittee shall include in all subcontracts relating to the Premises a non-discrimination clause applicable to such subcontractor in substantially the form of Section 28.1 above. In addition, Permittee shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Permittee's failure to comply with the obligations in this Section shall constitute a material breach of this Permit.

28.3 Non-Discrimination in Benefits. Permittee does not as of the date of this Permit and will not during the term of this Permit, in any of its operations in San Francisco or

where the work is being performed for the City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

28.4 Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the use of City property are incorporated in this Section by reference and made a part of this Permit as though fully set forth herein. Permittee shall comply fully with and be bound by all of the provisions that apply to this Permit under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Permittee understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of Fifty Dollars (\$50) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Permit may be assessed against Permittee and/or deducted from any payments due Permittee.

29. Tropical Hardwoods and Virgin Redwood. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product, except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code. Permittee agrees that, except as permitted by the application of Sections 802(b) and 803(b), Permittee shall not use or incorporate any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product in the performance of this Permit.

30. No Tobacco Advertising. Permittee acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of the Authority, including the property which is the subject of this Permit. This prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

31. Conflicts of Interest. Through its execution of this Permit, Permittee acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provision, and agrees that if Permittee becomes aware of any such fact during the term of this Permit, Permittee shall immediately notify Authority.

32. Food Service Waste Reduction. Permittee agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in the San Francisco Environment Code, Chapter 16, including the remedies provided, and implementing guidelines and rules. This ordinance prohibits the use of polystyrene foam disposable food service ware and requires the use of compostable or recyclable food service ware by anyone serving food in San Francisco. The provisions of Chapter 16 are incorporated herein by

reference and made a part of this Permit as though fully set forth. This provision is a material term of this Permit. By entering into this Permit, Permittee agrees that if it breaches this provision, Authority will suffer actual damages that will be impractical or extremely difficult to determine; further, Permittee agrees that the sum of One Hundred Dollars (\$100.00) liquidated damages for the first breach, Two Hundred Dollars (\$200.00) liquidated damages for the second breach in the same year, and Five Hundred Dollars (\$500.00) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that Authority will incur based on the violation, established in light of the circumstances existing at the time this Permit was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by Authority because of Permittee's failure to comply with this provision.

33. Security Deposit. Permittee shall pay to Authority upon execution of this Permit a security deposit in the amount set forth in the Basic Permit Information as security for the faithful performance of all terms, covenants and conditions of this Permit. Permittee agrees that Authority may (but shall not be required to) apply the security deposit in whole or in part to remedy any damage to the Premises caused by Permittee, Permittee's Agents or Permittee's Invitees, or any failure of Permittee to perform any other terms, covenants or conditions contained in this Permit, without waiving any of Authority's other rights and remedies hereunder or at law or in equity. Authority's obligations with respect to the security deposit are solely that of debtor and not trustee. Authority shall not be required to keep the security deposit separate from its general funds, and Permittee shall not be entitled to any interest on such deposit. The amount of the security deposit shall not be deemed to limit Permittee's liability for the performance of any of its obligations under this Permit. To the extent that Authority is not entitled to retain or apply the security deposit pursuant to this Section 33, Authority shall return such security deposit to Permittee within forty-five (45) days of the termination of this Permit, or such longer period as is reasonably necessary for Authority to confirm Permittee's compliance with the requirements of this Permit.

34. Notification of Limitations on Contributions. Through its execution of this Permit, Permittee acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City or a state agency on whose board an appointee of a City elective officer serves, for the selling or leasing of any land or building to or from the City or a state agency on whose board an appointee of a City elective officer serves, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six (6) months after the date the contract is approved. Permittee acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Permittee further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Permittee's board of directors; Permittee's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Permittee; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Permittee. Additionally, Permittee acknowledges that Permittee must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

35. Intellectual Property; Music Broadcasting Rights. Permittee shall be solely responsible for obtaining any necessary clearances or permissions for the use of intellectual property, including, but not limited to musical or other performance rights. (Note to Permittee:

To obtain the appropriate music performance license, you may contact the BMI Licensing Executive toll free at 1-877-264-2137 Monday – Friday, 9-5 p.m. (Central Time) and the American Society of Composers, Authors and Publishers (“ASCAP”) at 1-800-505-4052 Monday – Friday, 9-5 p.m. (Eastern Time)).

36. General Provisions. (a) This Permit may be amended or modified only by a writing signed by Authority and Permittee. (b) No waiver by any party of any of the provisions of this Permit shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) This instrument (including the exhibit(s) hereto) contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. (d) The section and other headings of this Permit are for convenience of reference only and shall be disregarded in the interpretation of this Permit. (e) Time is of the essence. (f) This Permit shall be governed by California law. (g) If either party commences an action against the other or a dispute arises under this Permit, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Authority shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience. (h) If Permittee consists of more than one person then the obligations of each person shall be joint and several. (i) Permittee may not record this Permit or any memorandum hereof. (j) Subject to the prohibition against assignments or other transfers by Permittee hereunder, this Permit shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns. (k) Any sale or conveyance of the property burdened by this Permit by Authority shall automatically revoke this Permit. (l) This Permit may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

37. Original Permit. Authority and Permittee acknowledge and agree that the Original Permit has been revoked and terminated in its entirety and neither Authority nor Permittee shall have any rights, obligations or liability arising under or related to the Original Permit.

Permittee represents and warrants to Authority that it has read and understands the contents of this Permit and agrees to comply with and be bound by all of its provisions.

PERMITTEE:

HARTMANN STUDIOS, a California corporation

By: _____

Name: _____

Title: _____

AUTHORITY:

TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____

Mirian Saez

Director of Island Operations

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By: _____
Deputy City Attorney

AGENDA ITEM 6J
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 9, 2009

Subject: Resolution Approving and Authorizing Purchase of an Electrical Panel for the Pavilion By The Bay Project, Treasure Island

Contact: Richard A. Rovetti, Deputy Director of Real Estate

Phone: 415-274-3365

BACKGROUND

At the May 14, 2008 Authority Board meeting, the Authority Board approved demolishing Building 227 to enable the installation of a Special Events Pavilion. At the July 2008 meeting, the Authority Board approved a Sublease with the Treasure Island Homeless Development Initiative, Toolworks and Wine Valley, Inc., dba Wine Valley Catering for the area located between Third and Fourth Streets and Avenue of the Palms, formerly occupied by Building 227 (the Fog Watch), for the development, installation and maintenance of a temporary membrane pavilion for the purpose of operating the Pavilion by the Bay Special Events venue. Under this Sublease, the Authority is responsible for all costs to demolish and remove Building 227, provide a concrete pad complete with utility connections for water and electrical, and to provide restroom facilities. The Authority has executed one or more work orders with the Department of Public Works (DPW) for DPW to perform certain of the Authority's construction related obligations under the Sublease.

Over the past several months, Authority staff and DPW have been working together to find a solution for providing electrical facilities to meet the design specifications for the Pavilion By The Bay Project. Authority Staff and DPW investigated opportunities to repurpose electrical equipment already located on Treasure Island. Staff and DPW conducted a search to identify local vendors who could provide the facilities in a timely manner. Based on this search DPW identified W. Wong Construction as the only source that could provide the required 800 amp electrical panel in a timely manner consistent with the Authority's obligations under the Sublease.

W. Wong Construction can deliver this equipment for \$12,150. Authority staff compared this price to similar equipment that would take longer to deliver, and found the prices similar. Additionally, this electrical panel can be delivered immediately following execution of an agreement.

W. Wong Construction is a compliant City and County of San Francisco vendor. It is the only vendor identified that had an 800 amp electrical panel that is fully configured to meet project design specifications, complies with San Francisco Department of Building Inspection

requirements and was available for immediate delivery. W. Wong Construction, a Treasure Island subtenant, has similar projects with the City's Department of Public Works.

BUDGET IMPACT

The total cost for the electrical panel is \$12,150, including delivery. This cost is within the budgeted amount previously approved by the Authority Board for the Pavilion By The Bay Project.

RECOMMENDATION

The Authority Staff recommends that the Authority Board of Directors approve the sole source purchase of the 800 amp electrical panel from W. Wong Construction for the Pavilion By The Bay Project, Treasure Island, and authorize the Director of Island Operations or her designee to execute the necessary agreement in a form approved by the City Attorney's Office.

Prepared by: Richard A. Rovetti, Deputy Director of Real Estate
For: Mirian Saez, Director of Island Operations

[Electrical Panel Purchase]

**Resolution Approving and Authorizing Purchase of an Electrical Panel for the Pavilion
By The Bay Project, Treasure Island**

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America, acting by and through the Department of the Navy (the "Navy"); and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, On May 14, 2008, the Authority Board approved demolishing Building 227 to enable the installation of a Special Events Pavilion; and,

WHEREAS, At the July 2008 meeting, the Authority Board approved a Sublease with the Treasure Island Homeless Development Initiative, Toolworks and Wine Valley Inc., dba Wine Valley Catering, for the area located between Third and Fourth Streets and Avenue of the Palms, formerly occupied by Building 227 (the Fog Watch), for the development, installation and maintenance of a temporary membrane pavilion for the purpose of operating the Pavilion by the Bay Special Events venue, and requiring the Authority to pay for all costs

to demolish and remove Building 227, provide a concrete pad complete with utility connections for water and electrical, and provide restroom facilities; and,

WHEREAS, The Authority has executed one or more work orders with the Department of Public Works ("DPW") for DPW to perform certain of the Authority's construction-related obligations under the Pavilion by the Bay Sublease; and,

WHEREAS, Project Staff and DPW Staff have been working together to find a solution to provide electrical facilities that meet the design specifications for the Pavilion by the Bay project, and have identified an 800 amp electrical panel that meets project design specifications, as well as complies with San Francisco Department of Building Inspection requirements; and,

WHEREAS, DPW staff and W. Wong Construction have negotiated the price of \$12,150 for delivery of this electrical panel in a timely manner for installation in the Special Events Pavilion on Treasure Island; and,

WHEREAS, Project staff has compared this price to other models, and found the price to be comparable to similar models with similar configurations, but that other vendors would require a 1 to 2 month lead time, which would cause an unacceptable delay in the performance of the Authority's obligations under the Sublease; and,

WHEREAS, W. Wong Construction is a compliant City and County of San Francisco vendor working on similar projects with DPW; now, therefore, be it

RESOLVED, That the Board of Directors hereby approves, and authorizes the Director of Island Operations to execute, a sole source Purchase Order with W. Wong Construction for an 800 amp electrical panel for the Pavilion By The Bay Project, Treasure Island, in a form approved by the Office of the City Attorney and substantially similar to other purchase orders between the City and W. Wong Construction; and be it

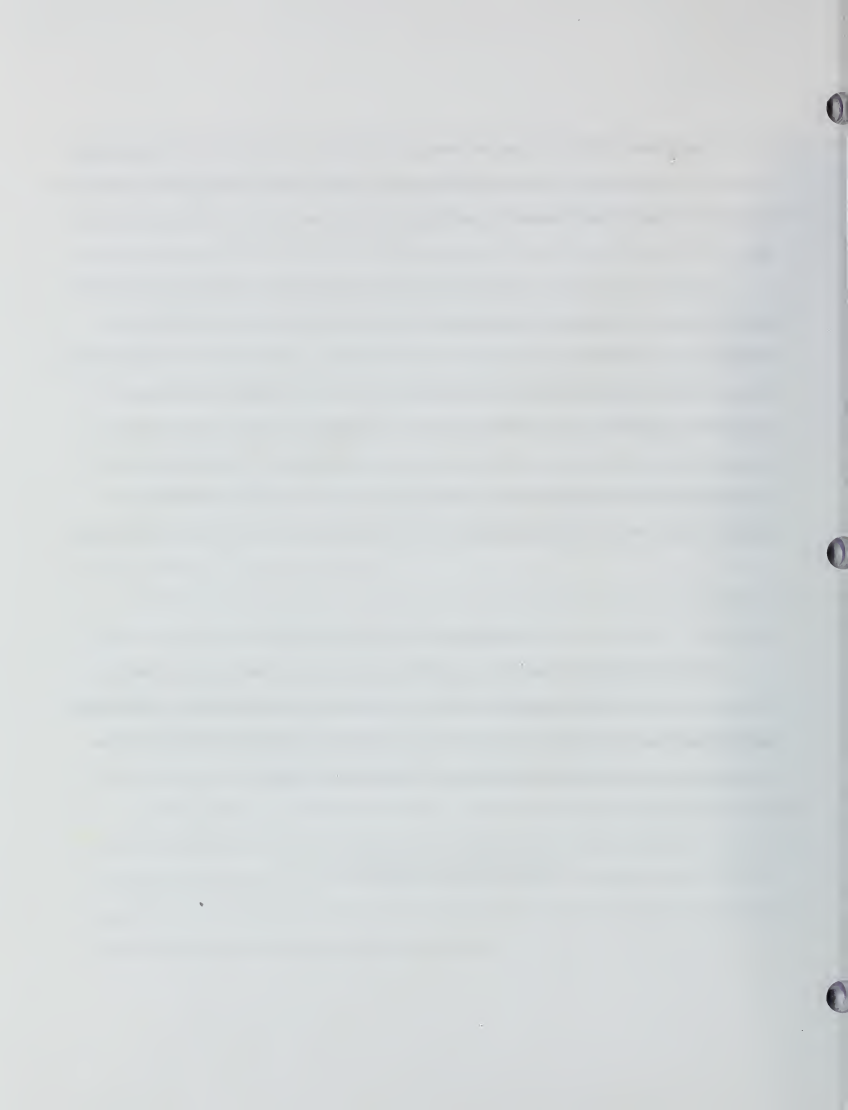
FURTHER RESOLVED, That the Board of Directors hereby finds that (i) entering into the sole source Purchase Order will serve the goals of the Authority and the public interests of the City, and (ii) the financial terms of the Purchase Order are economically reasonable; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into any additions, amendments or other modifications to the Purchase Order that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Purchase Order, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

John Elberling, Secretary



[Election of Officers of the Treasure Island Development Authority.]

Resolution Approving the Election of Officers of the Treasure Island Development Authority, as Nominated by the Ad Hoc Nomination Committee, to Serve for a Twelve Month Term Beginning October 1, 2009 and Ending September 30, 2010

WHEREAS, Under the Treasure Island Development Authority ("TIDA") Bylaws, officers of the Board of Directors (the "Board") are to be chosen annually; and,

WHEREAS, The TIDA Bylaws allow the Board to create one or more committees consisting of two or more Directors to serve at the pleasure of the Board; and,

WHEREAS, At the June 10, 2009 TIDA meeting, the Board adopted a resolution establishing an Ad Hoc Nomination Committee, and 3 members were appointed by the President of the Board to serve as members of the TIDA Ad Hoc Nomination Committee; and,

WHEREAS, The Ad Hoc Nomination Committee met on July 8, 2009 to consider and nominate Officers for the TIDA Board of Directors, and the Ad Hoc Nomination Committee has reported to the full TIDA Board for consideration its nominations of Owen Stephens to serve as President, John Elberling to serve as Chief Financial Officer, and Helen Nigg to serve as Secretary of the TIDA Board; now therefore be it

RESOLVED, That the Board hereby elects Owen Stephens to serve as President, John Elberling to serve as Chief Financial Officer, and Helen Nigg to serve as Secretary of the TIDA Board, for the twelve (12) month period beginning October 1, 2009 and ending on September 30, 2010; and be it

FURTHER RESOLVED, That the Board hereby retroactively approves the extension of the terms of Owen Stephens, as President, and John Elberling, as Chief Financial Officer and Secretary, for the period from July 1, 2009 through September 30, 2009.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9th, 2009.

John Elberling, Secretary

AGENDA ITEM 8

Treasure Island Development Authority City and County of San Francisco Meeting of September 9, 2009

Subject: Resolution Approving and Authorizing Execution of (i) the Memorandum of Agreement Between the Treasure Island Development Authority, Treasure Island Homeless Development Initiative, the Department of Children Youth and Their Families, and the San Francisco State University's Head Start Program; (ii) the Grant Agreement to provide operating subsidy to the San Francisco State University's Head Start Program; and (iii) the Sublease with San Francisco State University for Building 502, Treasure Island.

Contact Richard A. Rovetti, Deputy Director of Real Estate

Phone 415-274-3365

BACKGROUND

On May 1, 2009, Kidango gave formal notice to its families that it would be terminating operations at its Treasure Island childcare facility effective June 30, 2009. Kidango cited financial and staffing challenges as reasons for terminating operations on Treasure Island. On May 4, 2009, representatives from the Treasure Island Development Authority (the "Authority"), Treasure Island Homeless Development Initiative (TIHDI), and the Department of Children Youth and Their Families (DCYF) met with Kidango to discuss closure and transition to minimize disruption of services to attending families. As a result of this meeting, Authority and TIHDI agreed to work with DCYF to identify a qualified child care service provider for Treasure Island. The Authority and TIHDI also agreed to work collaboratively to keep the facility open until a new operator was identified.

The Authority, TIHDI, and DCYF have identified San Francisco State University's ("SFSU") Head Start Program, hereafter referred to as Interim Child Care Provider ("ICCP"), as a qualified child care provider that will be able to provide quality child care services to Treasure and Yerba Buena Island residents at Building 502. ICCP offers services that foster healthy development, maintains open and clear communication with the child's parent or caregiver, and provides children with a safe environment for infant, toddler, and pre-school age children.

In June of 2009, ICCP surveyed the community to assess their needs as well as to determine if there were a sufficient number of children and families to be served on the Island. ICCP concluded that there were indeed more than a sufficient number of undeserved families and children who would benefit from their program and services. ICCP has accepted the responsibility to operate the Island's child care center. ICCP is prepared to accept the remaining children at the Kidango facility who are mostly from TIHDI families and are eligible to receive

various forms of subsidies. Further ICCP intends to reach out to all Island residents and the broader San Francisco population to achieve maximum capacity.

At the June 10, 2009 Authority Board Meeting, the Authority Board approved a \$38,863.00 grant to Kidango that subsidized continued operations through August 31, 2009. At the September 9, 2009 Authority Board Meeting, Project Staff will present an amendment to the Kidango grant for an additional \$5,340.00 to extend the period of Kidango's services through September 15, 2009. This extension will enable ICCP to recruit instructors, become fully licensed and prepare for a seamless transition on September 16, 2009 when ICCP is scheduled to commence operating the childcare facility.

The Authority, TIHDI, DCYF, and ICCP have negotiated a Memorandum of Agreement (MOA) commencing on September 16, 2009 and ending on December 31, 2009 that sets forth guidelines and funding requirements in order for ICCP to provide full-day infant and toddler child care services for children ages 6 months to 2 years old and provide child care service to preschoolers 3 to 5 years old.

Project Staff and SFSU also have negotiated a Grant Agreement under which the Authority would provide ICCP a grant in an amount not to exceed \$57,195.50. The grant funds will be payable in installments to fund the Authority's share of the operating subsidy payable to ICCP described below.

Lastly, Project Staff and SFSU have negotiated a new Sublease commencing on September 16, 2009 and terminating on December 31, 2009 for Parcel A: approximately 10,123 square feet of classroom space located at Building 502; and Parcel B: approximately 33,977 square feet of land located adjacent thereto.

MEMORANDUM OF AGREEMENT

The salient terms and conditions of the proposed Memorandum of Agreement (MOA) include the following:

- The term of the MOA will commence on September 16, 2009 and terminate on December 31, 2009. The facility will offer childcare services to residents and employees of Treasure Island and Yerba Buena Island as well as to residents of the greater City and County of San Francisco, with preference given to Treasure Island and Yerba Buena Island residents and employees.
- The hours of operation shall be between 8:00 a.m. and 4:30 p.m., Monday-Friday, except during the specified holidays.
- ICCP to provide full day, child care services to a minimum of 26 eligible children 6 months to 5 years old in a licensed day care center located at Building 502, Treasure Island.
- ICCP must meet Community Care Licensing requirements.

- ICCP will receive a fee of up to \$192,336.00 for an operating subsidy for child care services during the period of September 16, 2009 through December 31, 2009. This fee shall be paid as follows:

September 4, 2009--- TIHDI \$60,000.00

September 16, 2009 --- DCYF \$33,742.00

October 1, 2009--- TIDA \$20,000.00 and TIHDI \$20,000.00

November 1, 2009--- TIDA \$20,000.00 and TIHDI \$21,398.50

December 1, 2009--- TIDA \$17,195.50

- ICCP will invoice monthly for the California Department of Education (CDE CCRT and Voucher) for any eligible reimbursement. All reimbursable funds shall be returned to TIDA and TIHDI equally upon receipt. Authority expects to recover

GRANT AGREEMENT

The general terms of the Grant Agreement are:

- The Authority will provide ICCP with a grant of up to \$57,195.50 to pay for its portion of ICCP's operating subsidy that is not paid for from other sources;
- ICCP will provide child care services in accord with Kidango's current operating schedule; and
- All furniture and equipment purchased with ICCP's grant funds will remain property of the Authority.

SUBLEASE TERMS AND CONDITIONS

SFSU will sign the Authority's standard form Sublease document. The salient terms and conditions of the proposed Sublease include the following:

Premises: Parcel A: approximately 10,123 square feet of classroom space located at Building 502; and Parcel B: approximately 33,977 square feet of land located adjacent to Building 502.

Location: Building 502

Commencement Date: September 16, 2009

Lease Expiration Date: December 31, 2009

Lease Term: Three months and fifteen days

Base Rent: Base Rent is waived. Subtenant will pay, as Additional Charges, \$700.00 per month as Subtenant's contribution for expenses paid or incurred by Sublandlord in connection with the ownership,

operation, maintenance, repair and management of the common areas, including but not limited to the sidewalks, walkways, driveways, curbs, lighting systems and security services, throughout Treasure Island.

Use: Operation of a child-care facility in accordance with the Memorandum of Agreement dated September 16, 2009, between the Treasure Island Development Authority, Treasure Island Homeless Development Initiative, the Department of Children Youth and Their Families, and the San Francisco State University.

Security Deposit: Waived

FINANCIAL IMPACT

The funding of this program will result in an unplanned expenditure \$57,195.50 to the Authority's Budget in FY09-10.

RECOMMENDATION

The Authority Staff recommends that the Authority Board of Directors approve (i) the Memorandum of Understanding Between the Treasure Island Development Authority, Treasure Island Homeless Development Initiative, the Department of Children Youth and their Families, and the San Francisco State University's Head Start Program; (ii) the Grant Agreement to provide operating subsidy to the San Francisco State University's Head Start Program; and (iii) the Sublease with San Francisco State University for Building 502, Treasure Island, and authorize the Director of Island Operations or her designee to execute said agreements in substantially the form attached hereto.

EXHIBITS

- Exhibit A: Memorandum of Agreement Between the Treasure Island Development Authority, Treasure Island Homeless Development Initiative, the Department of Children Youth and their Families, and the San Francisco State University's Head Start Program
- Exhibit B: Grant Agreement
- Exhibit C: Sublease between the Treasure Island Development Authority and the San Francisco State University

Prepared by: Richard A. Rovetti, Deputy Director of Real Estate
For: Mirian Saez, Director of Island Operations

[Agreements with San Francisco State University's Head Start Program]

Resolution Approving and Authorizing Execution of (i) the Memorandum of Agreement Between the Treasure Island Development Authority, Treasure Island Homeless Development Initiative, the Department of Children, Youth and Their Families, and the San Francisco State University's Head Start Program; (ii) the Grant Agreement to provide operating subsidy to the San Francisco State University's Head Start Program; and (iii) the Sublease with San Francisco State University for Building 502, Treasure Island.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America, acting by and through the Department of the Navy (the "Navy"); and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco (the "City"); and,

WHEREAS, On September 15, 2009, Kidango terminates its operations of the Treasure Island child care facility located at Building 502, Treasure Island; and,

WHEREAS, Over the past several months, representatives from the Authority, Treasure Island Homeless Development Initiative (TIHDI), and the Department of Children,

Youth and Their Families (DCYF) met with Kidango to discuss closure and transition to minimize disruption of services to attending families; and,

WHEREAS, The Authority, TIHDI and DCYF have identified San Francisco State University's ("SFSU") Head Start Program, hereafter referred to as Interim Child Care Provider ("ICCP"), as a qualified child care provider that will provide quality child care services to Treasure and Yerba Buena Island residents at Building 502; and,

WHEREAS, ICCP is prepared to accept the current children who have been identified as remaining children of the facility, and offer services that foster healthy development, maintain open and clear communication with the child's parent or caregiver, and provide a safe environment for infant, toddler, and pre-school age children; and,

WHEREAS, The Authority, TIHDI, DCYF, and ICCP have negotiated a Memorandum of Agreement (MOA) for a term commencing on September 16, 2009 and ending on December 31, 2009 that sets forth guidelines and funding requirements in order for ICCP to provide full-day infant and toddler child care services for children ages 6 months to 2 years old and provide child care service to preschoolers 3 to 5 years old; and,

WHEREAS, Project Staff and SFSU also have negotiated a Grant Agreement under which the Authority would provide ICCP a grant in an amount not to exceed \$57,195.50 representing the Authority's share of the operating subsidy payable to ICCP as follows: October 1, 2009 --- \$20,000.00, November 1, 2009--- \$20,000.00 and December 1, 2009--- \$17,195.50, as more particularly described in the MOA and the Grant Agreement; and,

WHEREAS, The Authority and SFSU have negotiated a new Sublease commencing on September 16, 2009 and terminating on December 31, 2009 for Parcel A: approximately 10,123 square feet of classroom space located at Building 502; and Parcel B: approximately 33,977 square feet of land located adjacent thereto; and,

WHEREAS, In lieu of Base Rent, SFSU will pay, as Additional Charges, \$700.00 per month as SFSU's contribution for expenses paid or incurred by the Authority in connection with the ownership, operation, maintenance, repair and management of the common areas, including but not limited to the sidewalks, walkways, driveways, curbs, lighting systems and security services, throughout Treasure Island; and,

WHEREAS, Although the Authority will receive no monthly base rent for this Sublease, Authority staff believes SFSU's monthly contribution for expenses paid or incurred by the Authority, and the public and community benefits represent fair market value for this Sublease at this time; now, therefore, be it

RESOLVED, That the Board of Directors hereby approves the Memorandum of Agreement Between the Treasure Island Development Authority, Treasure Island Homeless Development Initiative, the Department of Children, Youth and Their Families, and the San Francisco State University's Head Start Program in substantially the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, That the Board of Directors hereby approves the Grant Agreement to provide operating subsidy of up to \$57,195.50 to the San Francisco State University's Head Start Program in substantially the form attached hereto as Exhibit B; and be it

FURTHER RESOLVED, That the Board of Directors hereby approves the Sublease with San Francisco State University for Parcel A: approximately 10,123 square feet of classroom space located at Building 502; and Parcel B: approximately 33,977 square feet of land located adjacent to Building 502 and authorizes the Director of Island Operations or her designee to execute said Sublease in substantially the form attached hereto as Exhibit C; and be it

FURTHER RESOLVED, That the Board of Directors hereby finds that (i) entering into these Agreements will serve the goals of the Authority, the 1996 Homeless Services Plan for Treasure Island, and the public interests of the City, and (ii) the terms and conditions of these Agreements are economically reasonable; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations to enter into any additions, amendments or other modifications to these Agreements that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of these Agreements, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

John Elberling, Secretary

ITEM 8, EXHIBIT A

MEMORANDUM OF AGREEMENT

I. PURPOSE:

This Memorandum of Agreement ("MOA") is entered into as of September 16, 2009 between the Treasure Island Development Authority ("TIDA"), Treasure Island Homeless Development Initiative ("TIHDI") and the Department of Children Youth, and Their Families ("DCYF"), collectively hereafter referred to as "Funders," and the San Francisco State University's ("SFSU") Head Start Program, hereafter referred to as Interim Child Care Provider ("ICCP"), and is for the purposes of:

1. Providing full day, child care services to the current children 6 months to 5 years old in a licensed child care center located at Building 502, Treasure Island, San Francisco, CA.
2. Delivering high quality child care services that fosters healthy development, maintains open and clear communication with the child's parent or primary caregiver, and provides children with a safe environment.
3. Meeting California Department of Social Services-Community Care Licensing requirements.

II. PROVIDER RESPONSIBILITIES:

ICCP shall provide the following:

1. Full-day infant and toddler child care services for children ages 6 months to 2 years old and provide child care services to preschoolers, 3 to 5 years old. These services will be provided in accordance with the California Department of Education-Child Development Division's Title 5 program and fiscal guidelines.
2. A continuum of care that will include age appropriate interaction that will allow stable, uninterrupted child care and support to children in care in accordance with the terms and conditions as specified as a state licensed and subsidized child care center facility.
3. Work with the community and key stakeholders as collaborative partners in meeting the needs of the children and families that receive child care and development services.
4. Strive to achieve capacity of 105 by recruiting both eligible and market families.

III. TERM:

The term of this Agreement shall commence on September 16, 2009 and terminate on December 31, 2009.

IV. HOURS OF SERVICE:

ICCP will offer childcare services to residents and employees of Treasure Island and Yerba Buena Island as well as to residents of the greater City and County of San Francisco, with preference given to Treasure Island and Yerba Buena Island residents and employees. These services ICCP will be available to infants, toddlers and preschool-age children for eight (8) hours per day, five (5) days per week for during the agreed upon term period. The hours of operation shall be between 8:00 a.m. and 4:30 p.m., Monday-Friday, except during the specified holidays.

V. PAYMENT PROVISIONS:

Full-Day Services to 26 Income Eligible Children:

Funders agree to pay ICCP a fee for child care services of \$192,336.00 for the period of September 16, 2009 through December 31, 2009. This fee shall be paid as follows:

September 4, 2009--- TIHDI \$60,000.00

September 16, 2009 --- DCYF \$33,742.00

October 1, 2009--- TIDA \$20,000.00 and TIHDI \$20,000.00

November 1, 2009--- TIDA \$20,000.00 and TIHDI \$21,398.50

December 1, 2009--- TIDA \$17,195.50

Payments to Interim Child Care Provider will be processed in full by December 1, 2009 as listed above.

1. ICCP will invoice monthly, the California Department of Education-Child Development Division (CCRT and CSPP contracts) and the San Francisco Child Care Resource and Referral Agencies for Alternative Payment and CalWORKs vouchers for any eligible reimbursement. All reimbursable funds shall be returned to TIDA and TIHDI equally upon receipt. ICCP will copy the Funders on all invoices.
2. ICCP will provide a monthly report to the Funders on the number, age, and subsidy status of each child attending the child care facility.

3. ICCP shall notify Funders of any increase in the number of children over the agreed upon amount or increase hours of operations prior to making these changes. Upon Funders approval, ICCP will invoice Funder for cost associated with the additional services provided. The reimbursements of these funds will be paid by Funder no later than the 5th day of the following month.

VI. COMMUNITY CARE LICENSING:

ICCP must have all required licenses and permits to operate and maintain a quality licensed child care facility in place by September 16, 2009. A copy of these licenses, permits, certificates or exemptions to operate a child care and development program must be provided on the premises at all times. Failure to comply with this requirement will result in immediate termination of this MOA.

VII. GRANT AGREEMENT AND SUBLEASE

Concurrently with this MOA, ICCP and TIDA will enter into (i) a Grant Agreement relating to TIDA's obligation to make the payments described in Section V, and (ii) a Sublease for the use of Building 502, the terms of which are incorporated herein by reference. In the event of a material default of ICCP under the Grant Agreement and/or the Sublease that is not cured within any applicable cure periods, then TIDA will have the right to terminate this MOA, the Grant Agreement and the Sublease.

VIII. AMENDMENTS:

This MOA may be amended upon mutual written consent of all parties.

IX. APPROVALS:

The effectiveness of this MOA is subject to the TIDA Board of Directors' approval of this MOA, the Grant Agreement and the Sublease in its sole and absolute discretion.

The signatures below confirm agreement to the terms of this MOA by all parties concerned.

**TREASURE ISLAND DEVELOPMENT
AUTHORITY**

By: _____
Mirian Saez
Its: Director of Island Operations

**TREASURE ISLAND HOMELESS
DEVELOPMENT INITIATIVE, INC.
a California nonprofit corporation**

By: _____
Sherry Williams
Its: Executive Director

**DEPARTMENT OF CHILDREN YOUTH
AND THEIR FAMILIES**

By: _____
Its: _____

SAN FRANCISCO STATE UNIVERSITY

By: _____
Its: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney

ITEM 8, EXHIBIT B

**CITY AND COUNTY OF SAN FRANCISCO
TREASURE ISLAND DEVELOPMENT AUTHORITY**

GRANT AGREEMENT

between

TREASURE ISLAND DEVELOPMENT AUTHORITY

and

SAN FRANCISCO STATE UNIVERSITY

THIS GRANT AGREEMENT (this "Agreement") is made this **SEPTEMBER 16, 2009** in the City and County of San Francisco, State of California, by and between the **SAN FRANCISCO STATE UNIVERSITY'S HEAD START PROGRAM** ("Grantee") and the **TREASURE ISLAND DEVELOPMENT AUTHORITY**, a California nonprofit public benefit corporation ("Authority").

WITNESSETH:

WHEREAS, Grantee has submitted to the Authority the Application Documents (as hereinafter defined) seeking a grant for the purpose of funding the matters set forth in the Grant Plan (as hereinafter defined); and summarized briefly as follows:

A grant to provide continued operations of the Child Development Center on Treasure Island until December 31, 2009; and

WHEREAS, Authority desires to provide such a grant on the terms and conditions set forth herein:

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Specific Terms. Unless the context otherwise requires, the following capitalized terms (whether singular or plural) shall have the meanings set forth below:

(a) **"ADA"** shall mean the Americans with Disabilities Act (including all rules and regulations thereunder) and all other applicable federal, state and local disability rights legislation, as the same may be amended, modified or supplemented from time to time.

(b) **"Application Documents"** shall mean collectively: (i) the grant application submitted by Grantee, including all exhibits, schedules, appendices and attachments thereto; (ii) all documents,

correspondence and other written materials submitted in respect of such grant application; and (iii) all amendments, modifications or supplements to any of the foregoing approved in writing by Authority.

(c) **"Budget"** shall mean either the budget attached hereto as part of Appendix B, if any, or the budget included in the Application Documents, to the extent expressly approved by the Authority.

(d) **"Charter"** shall mean the Charter of City.

(e) **"City"** shall mean the City and County of San Francisco, a municipal corporation.

(f) **"Controller"** shall mean the Controller of City.

(g) **"Eligible Expenses"** shall have the meaning set forth in Appendix A.

(h) **"Event of Default"** shall have the meaning set forth in Section 11.1.

(i) **"Fiscal Quarter"** shall mean each period of three (3) calendar months commencing on July 1, October 1, January 1 and April 1, respectively.

(j) **"Fiscal Year"** shall mean each period of twelve (12) calendar months commencing on July 1 and ending on June 30 during all or any portion of which this Agreement is in effect.

(k) **"Funding Request"** shall have the meaning set forth in Section 5.3(a).

(l) **"Grant Funds"** shall mean any and all funds allocated or disbursed to Grantee under this Agreement.

(m) **"Grant Plan"** shall have the meaning set forth in Appendix B

or

shall mean the plans, performances, events, exhibitions, acquisitions or other activities or matter described in the Application documents; provided, however, that in the event of any inconsistency in such description, the most recent of the conflicting documents shall govern.

(n) **"HRC"** shall mean the Human Rights Commission of City.

(o) **"Indemnified Parties"** shall mean: (i) Authority, (ii) City, including all commissions, departments, agencies and other subdivisions of City; (iii) Authority and City's elected officials, directors, officers, employees, agents, successors and assigns; and (iv) all persons or entities acting on behalf of any of the foregoing.

(p) **"Losses"** shall mean any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, judgments, fees, expenses and costs of whatsoever kind and nature (including legal fees and expenses and costs of investigation, of prosecuting or defending any Loss described above) whether or not such Loss be founded or unfounded, of whatsoever kind and nature.

(q) **"Publication"** shall mean any report, article, educational material, handbook, brochure, pamphlet, press release, public service announcement, web page, audio or visual material or other communication for public dissemination, which relates to all or any portion of the Grant Plan or is paid for in whole or in part using Grant Funds.

1.2 Additional Terms. The terms “as directed,” “as required” or “as permitted” and similar terms shall refer to the direction, requirement, or permission of the Authority. The terms “sufficient,” “necessary” or “proper” and similar terms shall mean sufficient, necessary or proper in the sole judgment of the Authority. The terms “approval,” “acceptable” or “satisfactory” or similar terms shall mean approved by, or acceptable to, or satisfactory to the Authority. The terms “include,” “included” or “including” and similar terms shall be deemed to be followed by the words “without limitation”. The use of the term “subcontractor,” “successor” or “assign” herein refers only to a subcontractor (“subgrantee”), successor or assign expressly permitted under Article 13.

1.3 References to this Agreement. References to this Agreement include: (a) any and all appendices, exhibits, schedules, attachments hereto; (b) any and all statutes, ordinances, regulations or other documents expressly incorporated by reference herein; and (c) any and all amendments, modifications or supplements hereto made in accordance with Section 17.2. References to articles, sections, subsections or appendices refer to articles, sections or subsections of or appendices to this Agreement, unless otherwise expressly stated. Terms such as “hereunder,” herein or “hereto” refer to this Agreement as a whole.

ARTICLE 2 APPROPRIATION AND CERTIFICATION OF GRANT FUNDS; LIMITATIONS ON CITY'S OBLIGATIONS

2.1 Risk of Non-Appropriation of Grant Funds. This Agreement is subject to the budget and fiscal provisions of the Charter. Authority shall have no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. Grantee acknowledges that Authority budget decisions are subject to the discretion of its Board of Directors and the City's Mayor and Board of Supervisors. Grantee assumes all risk of possible non-appropriation or non-certification of funds, and such assumption is part of the consideration for this Agreement.

2.2 Certification of Controller; Guaranteed Maximum Costs. No funds shall be available under this Agreement until prior written authorization certified by the Controller. In addition, as set forth in Section 21.10-1 of the San Francisco Administrative Code:

(a) Authority's obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification.

(b) Except as may be provided by City ordinances governing emergency conditions, Authority and its employees and officers are not authorized to request Grantee to perform services or to provide materials, equipment and supplies that would result in Grantee performing services or providing materials, equipment and supplies that are beyond the scope of the services, materials, equipment and supplies specified in this Agreement unless this Agreement is amended in writing and approved as required by law to authorize the additional services, materials, equipment or supplies. Authority is not required to pay Grantee for services, materials, equipment or supplies that are provided by Grantee which are beyond the scope of the services, materials, equipment and supplies agreed upon herein and which were not approved by a written amendment to this Agreement having been lawfully executed by Authority.

(c) Authority and its employees and officers are not authorized to offer or promise to Grantee additional funding for this Agreement which would exceed the maximum amount of funding provided for herein. Additional funding for this Agreement in excess of the maximum provided herein shall require lawful approval and certification by the Controller. Authority is not required to honor any offered or promised additional funding which exceeds the maximum provided in this Agreement which requires

lawful approval and certification of the Controller when the lawful approval and certification by the Controller has not been obtained.

(d) The Controller is not authorized to make payments on any agreement for which funds have not been certified as available in the budget or by supplemental appropriation.

2.3 Automatic Termination for Nonappropriation of Funds. This Agreement shall automatically terminate, without penalty, liability or expense of any kind to Authority, at the end of any Fiscal Year if funds are not appropriated for the next succeeding Fiscal Year. If funds are appropriated for a portion of any Fiscal Year, this Agreement shall terminate, without penalty, liability or expense of any kind to Authority, at the end of such portion of the Fiscal Year.

2.4 SUPERSEDURE OF CONFLICTING PROVISIONS. IN THE EVENT OF ANY CONFLICT BETWEEN ANY OF THE PROVISIONS OF THIS ARTICLE 2 AND ANY OTHER PROVISION OF THIS AGREEMENT, THE APPLICATION DOCUMENTS OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, THE TERMS OF THIS ARTICLE 2 SHALL GOVERN.

ARTICLE 3 TERM

3.1 Effective Date. This Agreement shall become effective when the Controller has certified to the availability of funds as set forth in Section 2.2 and the Authority has notified Grantee thereof in writing.

3.2 Duration of Term. The term of this Agreement shall commence on the later of (a) September 16, 2009 and (b) the effective date specified in Section 3.1. Such term shall end at 11:59 p.m. San Francisco time on DECEMBER 31, 2009.

ARTICLE 4 IMPLEMENTATION OF GRANT PLAN

4.1 Implementation of Grant Plan; Cooperation with Monitoring. Grantee shall, in good faith and with diligence, implement the Grant Plan on the terms and conditions set forth in this Agreement and the Application Documents. Grantee shall not materially change the nature or scope of the Grant Plan during the term of this Agreement without the prior written consent of Authority. Grantee shall promptly comply with all standards, specifications and formats of Authority, as they may from time to time exist, related to evaluation, planning and monitoring of the Grant Plan and shall cooperate in good faith with Authority in any evaluation, planning or monitoring activities conducted or authorized by Authority.

4.2 Grantee's Personnel. The Grant Plan shall be implemented only by competent personnel under the direction and supervision of Grantee.

4.3 Grantee's Board of Directors. Grantee shall at all times be governed by a legally constituted and fiscally responsible board of directors. Such board of directors shall meet regularly and maintain appropriate membership, as established in Grantee's bylaws and other governing documents and shall adhere to applicable provisions of federal, state and local laws governing nonprofit corporations. Grantee's board of directors shall exercise such oversight responsibility with regard to this Agreement as is necessary to ensure full and prompt performance by Grantee of its obligations under this Agreement.

4.4 Publications and Work Product.

(a) Grantee understands and agrees that Authority has the right to review, approve, disapprove or conditionally approve, in its sole discretion, the work and property funded in whole or part with the Grant Funds, whether those elements are written, oral or in any other medium. Grantee has the burden of demonstrating to Authority that each element of work or property funded in whole or part with the Grant Funds is directly and integrally related to the Grant Plan as approved by Authority. Authority shall have the sole and final discretion to determine whether Grantee has met this burden.

(b) Without limiting the obligations of Grantee set forth in subsection (a) above, Grantee shall submit to Authority for Authority's prior written approval any Publication, and Grantee shall not disseminate any such Publication unless and until it receives Authority's consent. In addition, Grantee shall submit to Authority for approval, if Authority so requests, any other program material or form that Grantee uses or proposes to use in furtherance of the Grant Plan, and Grantee shall promptly provide to Authority one copy of all such materials or forms within two (2) days following Authority's request. The Authority's approval of any material hereunder shall not be deemed an endorsement of, or agreement with, the contents of such material, and the Authority shall have no liability or responsibility for any such contents. The Authority reserves the right to disapprove any material covered by this section at any time, notwithstanding a prior approval by the Authority of such material. Grantee shall not charge for the use or distribution of any Publication funded all or in part with the Grant Funds, without first obtaining Authority's written consent, which Authority may give or withhold in its sole discretion.

(c) Grantee shall distribute any Publication solely within San Francisco, unless Authority otherwise gives its prior written consent, which Authority may give or withhold in its sole discretion. In addition, Grantee shall furnish any services funded in whole or part with the Grant Funds under this Agreement solely within San Francisco, unless Authority otherwise gives its prior written consent, which Authority may give or withhold in its sole discretion.

(d) Authority may disapprove any element of work or property funded in whole or part by the Grant Funds that Authority determines, in its sole discretion, has any of the following characteristics: is divisive or discriminatory; undermines the purpose of the Grant Plan; discourages otherwise qualified potential employees or volunteers or any clients from participating in activities covered under the Grant Plan; undermines the effective delivery of services to clients of Grantee; hinders the achievement of any other purpose of Authority in making the Grant under this Agreement; or violates any other provision of this Agreement or applicable law. If Authority disapproves any element of the Grant Plan as implemented, or requires any change to it, Grantee shall immediately eliminate the disapproved portions and make the required changes. If Authority disapproves any materials, activities or services provided by third parties, Grantee shall immediately cease using the materials and terminate the activities or services and shall, at Authority's request, require that Grantee obtain the return of materials from recipients or deliver such materials to Authority or destroy them.

(e) Authority has the right to monitor from time to time the administration by Grantee or any of its subcontractors of any programs or other work, including, without limitation, educational programs or trainings, funded in whole or part by the Grant Funds, to ensure that Grantee is performing such element of the Grant Plan, or causing such element of the Grant Plan to be performed, consistent with the terms and conditions of this Agreement.

(f) Grantee shall acknowledge Authority's funding under this Agreement in all Publications. Such acknowledgment shall conspicuously state that the activities are sponsored in whole or in part through a grant from the Authority. Except as set forth in this Section, Grantee shall not use the name of the Authority or City (as a reference to the municipal corporation as opposed to location) in any Publication without prior written approval of Authority.

ARTICLE 5 USE AND DISBURSEMENT OF GRANT FUNDS

5.1 Maximum Amount of Grant Funds. In no event shall the amount of Grant Funds disbursed hereunder exceed **FIFTY SEVEN THOUSAND, ONE HUNDRED NINETY FIVE AND FIFTY CENTS (\$57,195.50).**

5.2 Use of Grant Funds. Grantee shall use the Grant Funds only for Eligible Expenses as set forth in Appendix A and for no other purpose. Grantee shall expend the Grant Funds in accordance with the Budget, if any, and shall obtain the prior approval of Authority before transferring expenditures from one line item to another within the Budget.

5.3 Disbursement Procedures. Grant Funds shall be disbursed to Grantee as follows:

(a) Grantee shall submit to the Authority, in the manner specified for notices pursuant to Article 15, a document (a "Funding Request") substantially in the form attached as Appendix C. Any Funding Request that is submitted and is not approved by the Authority shall be returned by the Authority to Grantee with a brief statement of the reason for the Authority's rejection of such Funding Request. If any such rejection relates only to a portion of Eligible Expenses itemized in such Funding Request, the Authority shall have no obligation to disburse any Grant Funds for any other Eligible Expenses itemized in such Funding Request unless and until Grantee submits a Funding Request that is in all respects acceptable to the Authority.

(b) The Authority shall make all disbursements of Grant Funds pursuant to this Section by check payable to Grantee, sent via U.S. mail in accordance with Article 15, unless the Authority otherwise agrees in writing, in its sole discretion. The Authority shall make disbursements of Grant Funds in accordance with the schedule set forth in the Grant Plan.

5.4 Disallowance. With respect to Grant Funds, if any, which are ultimately provided by the state or federal government, Grantee agrees that if Grantee claims or receives payment from Authority for an Eligible Expense, payment or reimbursement of which is later disallowed by the state or federal government, Grantee shall promptly refund the disallowed amount to Authority upon Authority's request. At its option, Authority may offset all or any portion of the disallowed amount against any other payment due to Grantee hereunder or under any other Agreement. Any such offset with respect to a portion of the disallowed amount shall not release Grantee from Grantee's obligation hereunder to refund the remainder of the disallowed amount.

ARTICLE 6 REPORTING REQUIREMENTS; AUDITS; PENALTIES FOR FALSE CLAIMS

6.1 Regular Reports. Grantee shall provide, in a prompt and timely manner, financial, operational and other reports, as requested by the Authority, in form and substance satisfactory to the Authority. Such reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages, to the maximum extent possible.

6.2 Organizational Documents. If requested by Authority, on or before the date of this Agreement, Grantee shall provide to Authority the names of its current officers and directors and certified copies of its Articles of Incorporation and Bylaws as well as satisfactory evidence of the valid nonprofit status described in Section 8.1.

6.3 Notification of Defaults or Changes in Circumstances. Grantee shall notify Authority immediately of (a) any Event of Default or event that, with the passage of time, would constitute an Event of Default; and (b) any change of circumstances that would cause any of the representations and warranties contained in Article 8 to be false or misleading at any time during the term of this Agreement.

6.4 Financial Statements. Within sixty (60) days following the end of each Fiscal Year, Grantee shall deliver to Authority an unaudited balance sheet and the related statement of income and cash flows for such Fiscal Year, all in reasonable detail acceptable to Authority, certified by an appropriate financial officer of Grantee as accurately presenting the financial position of Grantee. If requested by Authority, Grantee shall also deliver to Authority, no later than one hundred twenty (120) days following the end of any Fiscal Year, an audited balance sheet and the related statement of income and cash flows for such Fiscal Year, certified by a reputable accounting firm as accurately presenting the financial position of Grantee.

6.5 Books and Records. Grantee shall establish and maintain accurate files and records of all aspects of the Grant Plan and the matters funded in whole or in part with Grant Funds during the term of this Agreement. Without limiting the scope of the foregoing, Grantee shall establish and maintain accurate financial books and accounting records relating to Eligible Expenses incurred and Grant Funds received and expended under this Agreement, together with all invoices, documents, payrolls, time records and other data related to the matters covered by this Agreement, whether funded in whole or in part with Grant Funds. Grantee shall maintain all of the files, records, books, invoices, documents, payrolls and other data required to be maintained under this Section in a readily accessible location and condition for a period of not less than five (5) years after final payment under this Agreement or until any final audit has been fully completed, whichever is later.

6.6 Inspection and Audit. Grantee shall make available to Authority, its employees and authorized representatives, during regular business hours all of the files, records, books, invoices, documents, payrolls and other data required to be established and maintained by Grantee under Section 6.5. Grantee shall permit Authority, its employees and authorized representatives to inspect, audit, examine and make excerpts and transcripts from any of the foregoing. The rights of Authority pursuant to this Section shall remain in effect so long as Grantee has the obligation to maintain such files, records, books, invoices, documents, payrolls and other data under this Article 6.

6.7 Submitting False Claims; Monetary Penalties. Grantee acknowledges and agrees that it is a "contractor" under and is subject to San Francisco Administrative Code Section 21.35. Under such Section 21.35, any contractor, subgrantee or consultant who submits a false claim shall be liable to Authority for three times the amount of damages which Authority sustains because of the false claim. A contractor, subgrantee or consultant who submits a false claim shall also be liable to Authority for the costs, including attorney's fees, of a civil action brought to recover any of those penalties or damages, and may be liable to Authority for a civil penalty of up to ten thousand dollars (\$10,000) for each false claim. A contractor, subgrantee or consultant will be deemed to have submitted a false claim to Authority if the contractor, subgrantee or consultant: (a) knowingly presents or causes to be presented to an officer or employee of Authority a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by Authority; (c) conspires to defraud Authority by getting a false claim allowed or paid by Authority; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to Authority, or (e) is a beneficiary of an inadvertent submission of a false claim to Authority, subsequently discovers the falsity of the claim, and fails to disclose the false claim to Authority within a reasonable time after discovery of the false claim.

6.8 Ownership of Results. Any interest of Grantee or any subgrantee, in drawings, plans, specifications, studies, reports, memoranda, computation sheets, the contents of computer diskettes, or other documents or Publications prepared by Grantee or any subgrantee in connection with this Agreement or the implementation of the Grant Plan or the services to be performed under this Agreement, shall become the property of and be promptly transmitted to Authority. Notwithstanding the foregoing, Grantee may retain and use copies for reference and as documentation of its experience and capabilities.

6.9 Works for Hire. If, in connection with this Agreement or the implementation of the Grant Plan, Grantee or any subgrantee creates artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, source codes or any other original works of authorship or Publications, such creations shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such creations shall be the property of Authority. If it is ever determined that any such creations are not works for hire under applicable law, Grantee hereby assigns all copyrights thereto to Authority, and agrees to provide any material, execute such documents and take such other actions as may be necessary or desirable to effect such assignment. With the prior written approval of Authority, Grantee may retain and use copies of such creations for reference and as documentation of its experience and capabilities. Grantee shall obtain all releases, assignments or other agreements from subgrantees or other persons or entities implementing the Grant Plan to ensure that Authority obtains the rights set forth in this Article 6.

ARTICLE 7 TAXES

7.1 Grantee to Pay All Taxes. Grantee shall pay to the appropriate governmental authority, as and when due, any and all taxes, fees, assessments or other governmental charges, including possessory interest taxes and California sales and use taxes, levied upon or in connection with this Agreement, the Grant Plan, the Grant Funds or any of the activities contemplated by this Agreement.

7.2 Use of Authority Real Property. If at any time this Agreement entitles Grantee to the possession, occupancy or use of Authority real property for private gain, the following provisions shall apply:

(a) Grantee, on behalf of itself and any subgrantees, successors and assigns, recognizes and understands that this Agreement may create a possessory interest subject to property taxation and Grantee, and any subgrantee, successor or assign, may be subject to the payment of such taxes.

(b) Grantee, on behalf of itself and any subgrantees, successors and assigns, further recognizes and understands that any assignment permitted hereunder and any exercise of any option to renew or other extension of this Agreement may constitute a change in ownership for purposes of property taxation and therefore may result in a revaluation of any possessory interest created hereunder. Grantee shall report any assignment or other transfer of any interest in this Agreement or any renewal or extension thereof to the County Assessor within sixty (60) days after such assignment, transfer, renewal or extension.

(c) Grantee shall provide such other information as may be requested by Authority to enable Authority to comply with any reporting requirements under applicable law with respect to possessory interests.

7.3. Earned Income Credit (EIC) Forms. Administrative Code section 120 requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found.

(a) Grantee shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty (30) days following the date on which this Agreement becomes effective (unless Grantee has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by Grantee; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement.

(b) Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by Grantee of the terms of this Agreement. If, within thirty (30) days after Grantee receives written notice of such a breach, Grantee fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Grantee fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the Authority may pursue any rights or remedies available under this Agreement or under applicable law.

(c) Any Subcontract entered into by Grantee shall require the subgrantee to comply, as to the subgrantee's Eligible Employees, with each of the terms of this section.

(d) Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

ARTICLE 8 REPRESENTATIONS AND WARRANTIES

Grantee represents and warrants each of the following as of the date of this Agreement and at all times throughout the term of this Agreement:

8.1 Organization; Authorization. Grantee is a nonprofit corporation, duly organized and validly existing and in good standing under the laws of the jurisdiction in which it was formed. Grantee has established and maintains valid nonprofit status under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated under such Section. Grantee has duly authorized by all necessary action the execution, delivery and performance of this Agreement. Grantee has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of Grantee, enforceable against Grantee in accordance with the terms hereof.

8.2 Location. Grantee's operations, offices and headquarters are located at the address for notices set forth in Section 15. All aspects of the Grant Plan will be implemented at the geographic location(s), if any, specified in the Grant Plan.

8.3 No Misstatements. No document furnished or to be furnished by Grantee to Authority or City in connection with the Application Documents, this Agreement, any Funding Request or any other document relating to any of the foregoing, contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.

8.4 Conflict of Interest.

(a) Through its execution of this Agreement, Grantee acknowledges that it is familiar with the provision of Section 15.103 of the City's Charter, Article III, Chapter 2 of the City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a

violation of said provisions and agrees that it will immediately notify the Authority if it becomes aware of any such fact during the term of this Agreement.

(b) Not more than one member of an immediate family serves or will serve as an officer, director or employee of Grantee, without the prior written consent of Authority. For purposes of this subsection, "immediate family" shall include husband, wife, domestic partners, brothers, sisters, children and parents (both legal parents and step-parents).

8.5 No Other Agreements with City or Authority Except as expressly itemized in Appendix D, neither Grantee nor any of Grantee's affiliates, officers, directors or employees has any interest, however remote, in any other agreement with City or Authority including any commission, department or other subdivision thereof).

8.6 Subcontracts. Except as may be permitted under Section 13.3, Grantee has not entered into any agreement, arrangement or understanding with any other person or entity pursuant to which such person or entity will implement or assist in implementing all or any portion of the Grant Plan

8.7 Eligibility to Receive Federal Funds. By executing this Agreement, Grantee certifies that Grantee is not suspended, debarred or otherwise excluded from participation in federal assistance programs. Grantee acknowledges that this certification of eligibility to receive federal funds is a material term of the Agreement.

ARTICLE 9 INDEMNIFICATION AND GENERAL LIABILITY

9.1 Indemnification. Grantee shall indemnify, protect, defend and hold harmless each of the Indemnified Parties from and against any and all Losses arising from, in connection with or caused by: (a) a material breach of this Agreement by Grantee; (b) a material breach of any representation or warranty of Grantee contained in this Agreement; (c) any personal injury caused, directly or indirectly, by any act or omission of Grantee or its employees, subgrantees or agents; (d) any property damage caused, directly or indirectly by any act or omission of Grantee or its employees, subgrantees or agents; (e) the use, misuse or failure of any equipment or facility used by Grantee, or by any of its employees, subgrantees or agents, regardless of whether such equipment or facility is furnished, rented or loaned to Grantee by an Indemnified Party; (f) any tax, fee, assessment or other charge for which Grantee is responsible under Article 7; or (g) any infringement of patent rights, copyright, trade secret or any other proprietary right or trademark of any person or entity in consequence of the use by any Indemnified Party of any goods or services furnished to such Indemnified Party in connection with this Agreement. Grantee's obligations under the immediately preceding sentence shall apply to any Loss that is caused in whole or in part by the active or passive negligence of any Indemnified Party, but shall exclude any Loss caused solely by the willful misconduct of the Indemnified Party. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Authority's costs of investigating any claims against the Authority.

9.2 Duty to Defend; Notice of Loss. Grantee acknowledges and agrees that its obligation to defend the Indemnified Parties under Section 9.1: (a) is an immediate obligation, independent of its other obligations hereunder; (b) applies to any Loss which actually or potentially falls within the scope of Section 9.1, regardless of whether the allegations asserted in connection with such Loss are or may be groundless, false or fraudulent; and (c) arises at the time the Loss is tendered to Grantee by the Indemnified Party and continues at all times thereafter. The Indemnified Party shall give Grantee prompt notice of any Loss under Section 9.1 and Grantee shall have the right to defend, settle and compromise any such Loss; provided, however, that the Indemnified Party shall have the right to retain its own

counsel at the expense of Grantee if representation of such Indemnified Party by the counsel retained by Grantee would be inappropriate due to conflicts of interest between such Indemnified Party and Grantee. An Indemnified Party's failure to notify Grantee promptly of any Loss shall not relieve Grantee of any liability to such Indemnified Party pursuant to Section 9.1, unless such failure materially impairs Grantee's ability to defend such Loss. Grantee shall seek the Indemnified Party's prior written consent to settle or compromise any Loss if Grantee contends that such Indemnified Party shares in liability with respect thereto.

9.3 Incidental and Consequential Damages. Losses covered under this Article 9 shall include any and all incidental and consequential damages resulting in whole or in part from Grantee's acts or omissions. Nothing in this Agreement shall constitute a waiver or limitation of any rights that any Indemnified Party may have under applicable law with respect to such damages.

9.4 LIMITATION ON LIABILITY OF AUTHORITY. AUTHORITY'S OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF GRANT FUNDS ACTUALLY DISBURSED HEREUNDER. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED IN THIS AGREEMENT, THE APPLICATION DOCUMENTS OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE GRANT FUNDS, THE GRANT PLAN OR ANY ACTIVITIES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

ARTICLE 10 INSURANCE

10.1 Types and Amounts of Coverage. Without limiting Grantee's liability pursuant to Article 9, Grantee shall maintain in force, during the full term of this Agreement, insurance in the following amounts and coverages:

(a) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than one million dollars (\$1,000,000) each accident, injury, or illness.

(b) Commercial General Liability Insurance with limits not less than one million dollars (\$1,000,000) each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations.

(c) Commercial Automobile Liability Insurance with limits not less than one million dollars (\$1,000,000) each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(d) Professional liability insurance for negligent acts, errors or omission with respect to professional or technical services, if any, required in the performance of this Agreement with limits not less than one million dollars (\$1,000,000) each claim.

10.2 Additional Requirements for General and Automobile Coverage. Commercial General Liability and Commercial Automobile Liability insurance policies shall:

(a) Name as additional insureds Authority, City and their respective officers, agents and employees.

(b) Provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to limits of liability.

10.3 Additional Requirements for All Policies. All policies shall be endorsed to provide at least thirty (30) days' advance written notice to Authority of cancellation of policy for any reason, nonrenewal or reduction in coverage and specific notice mailed to Authority's address for notices pursuant to Article 15.

10.4 Required Post-Expiration Coverage. Should any of the insurance required hereunder be provided under a claims-made form, Grantee shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three (3) years beyond the expiration or termination of this Agreement, to the effect that, should occurrences during the term hereof give rise to claims made after expiration or termination of the Agreement, such claims shall be covered by such claims-made policies.

10.5 General Annual Aggregate Limit/Inclusion of Claims Investigation or Legal Defense Costs. Should any of the insurance required hereunder be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

10.6 Evidence of Insurance. Before commencing any operations under this Agreement, Grantee shall furnish to Authority certificates of insurance, and additional insured policy endorsements, in form and with insurers satisfactory to Authority, evidencing all coverages set forth above, and shall furnish complete copies of policies promptly upon Authority's request. Before commencing any operations under this Agreement, Grantee shall furnish to Authority certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to Authority, in form evidencing all coverages set forth above. Failure to maintain insurance shall constitute a material breach of this Agreement.

10.7 Effect of Approval. Approval of any insurance by Authority shall not relieve or decrease the liability of Grantee hereunder.

10.8 Insurance Waiver. Any of the terms or conditions of this Article 10 may be waived by the Authority's Risk Manager in writing, signed by the Risk Manager, and attached to this Agreement as Appendix F. Such waiver is fully incorporated herein. The waiver shall waive only the requirements that are expressly identified and waived, and under such terms and conditions as stated in the waiver.

10.9 Insurance for Subcontractors and Evidence of this Insurance. If a subcontractor will be used to complete any portion of this agreement, the grantee shall ensure that the subcontractor shall provide all

necessary insurance and shall name the Authority and City, their respective officers, agents, and employees and the grantee listed as additional insureds.

ARTICLE 11 EVENTS OF DEFAULT AND REMEDIES

11.1 Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Agreement:

(a) **False Statement.** Any statement, representation or warranty contained in this Agreement, in the Application Documents, in any Funding Request or in any other document submitted to Authority under this Agreement is found by Authority to be false or misleading.

(b) **Failure to Provide Insurance.** Grantee fails to provide or maintain in effect any policy of insurance required in Article 10.

(c) **Failure to Comply with Applicable Laws.** Grantee fails to perform or breaches any of the terms or provisions of Article 16.

(d) **Failure to Perform Other Covenants.** Grantee fails to perform or breaches any other agreement or covenant of this Agreement to be performed or observed by Grantee as and when performance or observance is due and such failure or breach continues for a period of ten (10) days after the date on which such performance or observance is due.

(e) **Cross Default.** Grantee defaults under any other agreement between Grantee and Authority or City (after expiration of any grace period expressly stated in such agreement).

(f) **Voluntary Insolvency.** Grantee (i) is generally not paying its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Grantee or of any substantial part of Grantee's property or (v) takes action for the purpose of any of the foregoing.

(g) **Involuntary Insolvency.** Without consent by Grantee, a court or government authority enters an order, and such order is not vacated within ten (10) days, (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Grantee or with respect to any substantial part of Grantee's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Grantee.

11.2 Remedies Upon Event of Default. Upon and during the continuance of an Event of Default, Authority may do any of the following, individually or in combination with any other remedy:

(a) **Termination.** Authority may terminate this Agreement by giving a written termination notice to Grantee and, on the date specified in such notice, this Agreement shall terminate and all rights of Grantee hereunder shall be extinguished. In the event of such termination, Grantee will be paid for Eligible Expenses in any Funding Request that was submitted and approved by Authority prior to the date of termination specified in such notice.

(b) **Withholding of Grant Funds.** Authority may withhold all or any portion of Grant Funds not yet disbursed hereunder, regardless of whether Grantee has previously submitted a Funding Request or whether Authority has approved the disbursement of the Grant Funds requested in any Funding Request. Any Grant Funds withheld pursuant to this Section and subsequently disbursed to Grantee after cure of applicable Events of Default shall be disbursed without interest.

(c) **Offset.** Authority may offset against all or any portion of undisbursed Grant Funds hereunder or against any payments due to Grantee under any other agreement between Grantee and Authority or City the amount of any outstanding Loss incurred by any Indemnified Party, including any Loss incurred as a result of the Event of Default.

(d) **Return of Grant Funds.** Authority may demand the immediate return of any previously disbursed Grant Funds that have been claimed or expended by Grantee in breach of the terms of this Agreement, together with interest thereon from the date of disbursement at the maximum rate permitted under applicable law.

11.3 Remedies Nonexclusive. Each of the remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The remedies contained herein are in addition to all other remedies available to Authority at law or in equity by statute or otherwise and the exercise of any such remedy shall not preclude or in any way be deemed to waive any other remedy.

ARTICLE 12 DISCLOSURE OF INFORMATION AND DOCUMENTS

12.1 Proprietary or Confidential Information of Authority. Grantee understands and acknowledges that, in the performance of this Agreement or in contemplation thereof, Grantee may have access to private or confidential information that may be owned or controlled by Authority and that such information may contain proprietary or confidential information, the disclosure of which to third parties may be damaging to Authority. Grantee agrees that all information disclosed by Authority to Grantee shall be held in confidence and used only in the performance of this Agreement. Grantee shall exercise the same standard of care to protect such information as a reasonably prudent nonprofit entity would use to protect its own proprietary or confidential data.

12.2 Sunshine Ordinance. Grantee acknowledges and agrees that this Agreement and the Application Documents are subject to Section 67.24(e) of the San Francisco Administrative Code, which provides that contracts, including this Agreement, grantee's bids, responses to Requests for Proposals (RFPs) and all other records of communications between Authority and persons or entities seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in such Section 67.24(e) (as it exists on the date hereof) requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. All information provided by Grantee that is

covered by such Section 67.24(e) (as it may be amended from time to time) will be made available to the public upon request.

12.3 Financial Projections. Pursuant to San Francisco Administrative Code Section 67.32, Grantee shall on or before the date hereof provided to Authority financial projections, including profit and loss figures, for the Project. For the term of the Agreement, Grantee shall within 30 days after the end of **Fiscal year 2009/2010** provide to Authority annual financial statements for the Project certified by the Grantee as complete and accurate and audited by an independent accounting firm. The Grantee acknowledges and agrees that the financial projections and audited financial statements shall be public records subject to disclosure upon request.

ARTICLE 13 ASSIGNMENTS AND SUBCONTRACTING

13.1 No Assignment by Grantee. Grantee shall not, either directly or indirectly, assign, transfer, hypothecate, subcontract or delegate all or any portion of this Agreement or any rights, duties or obligations of Grantee hereunder without the prior written consent of Authority. This Agreement shall not, nor shall any interest herein, be assignable as to the interest of Grantee involuntarily or by operation of law without the prior written consent of Authority. A change of ownership or control of Grantee or a sale or transfer of substantially all of the assets of Grantee shall be deemed an assignment for purposes of this Agreement.

13.2 Agreement Made in Violation of this Article. Any agreement made in violation of Section 13.1 shall confer no rights on any person or entity and shall automatically be null and void.

13.3 Subcontracting. If Appendix E lists any permitted subgrantees, then notwithstanding any other provision of this Agreement to the contrary, Grantee shall have the right to subcontract on the terms set forth in this Section. If Appendix E is blank or specifies that there are no permitted subgrantees, then Grantee shall have no rights under this Section.

(a) **Limitations.** In no event shall Grantee subcontract or delegate the whole of the Grant Plan. Grantee may subcontract with any of the permitted subgrantees set forth on Appendix E without the prior consent of Authority; provided, however, that Grantee shall not thereby be relieved from any liability or obligation under this Agreement and, as between Authority and Grantee, Grantee shall be responsible for the acts, defaults and omissions of any subgrantee or its agents or employees as fully as if they were the acts, defaults or omissions of Grantee. Grantee shall ensure that its subgrantees comply with all of the terms of this Agreement, insofar as they apply to the subcontracted portion of the Grant Plan. All references herein to duties and obligations of Grantee shall be deemed to pertain also to all subgrantees to the extent applicable. A default by any subgrantee shall be deemed to be an Event of Default hereunder. Nothing contained in this Agreement shall create any contractual relationship between any subgrantee and Authority.

(b) **Terms of Subcontract.** Each subcontract shall be in form and substance acceptable to Authority and shall expressly provide that it may be assigned to Authority without the prior consent of the subgrantee. In addition, each subcontract shall incorporate all of the terms of this Agreement, insofar as they apply to the subcontracted portion of the Grant Plan. Without limiting the scope of the foregoing, each subcontract shall provide Authority, with respect to the subgrantee, the audit and inspection rights set forth in Section 6.6. Upon the request of Authority, Grantee shall promptly furnish to Authority true and correct copies of each subcontract permitted hereunder.

13.4 Grantee Retains Responsibility. Grantee shall in all events remain liable for the performance by any assignee or subgrantee of all of the covenants terms and conditions contained in this Agreement.

ARTICLE 14 INDEPENDENT CONTRACTOR STATUS

14.1 Nature of Agreement. Grantee shall be deemed at all times to be an independent contractor and is solely responsible for the manner in which Grantee implements the Grant Plan and uses the Grant Funds. Grantee shall at all times remain solely liable for the acts and omissions of Grantee, its officers and directors, employees and agents. Nothing in this Agreement shall be construed as creating a partnership, joint venture, employment or agency relationship between Authority and Grantee.

14.2 Direction. Any terms in this Agreement referring to direction or instruction from the Authority or City shall be construed as providing for direction as to policy and the result of Grantee's work only, and not as to the means by which such a result is obtained.

14.3 Consequences of Recharacterization.

(a) Should Authority, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Grantee is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Grantee which can be applied against this liability). Authority shall subsequently forward such amounts to the relevant taxing authority.

(b) Should a relevant taxing authority determine a liability for past services performed by Grantee for Authority, upon notification of such fact by Authority, Grantee shall promptly remit such amount due or arrange with Authority to have the amount due withheld from future payments to Grantee under this Agreement (again, offsetting any amounts already paid by Grantee which can be applied as a credit against such liability).

(c) A determination of employment status pursuant to either subsection (a) or (b) of this Section 14.3 shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Grantee shall not be considered an employee of Authority. Notwithstanding the foregoing, if any court, arbitrator, or administrative authority determine that Grantee is an employee for any other purpose, Grantee agrees to a reduction in Authority's financial liability hereunder such that the aggregate amount of Grant Funds under this Agreement does not exceed what would have been the amount of such Grant Funds had the court, arbitrator, or administrative authority had not determined that Grantee was an employee.

ARTICLE 15 NOTICES AND OTHER COMMUNICATIONS

15.1 Requirements. Unless otherwise specifically provided herein, all notices, consents, directions, approvals, instructions, requests and other communications hereunder shall be in writing, shall be addressed to the person and address set forth below and shall be (a) deposited in the U.S. mail, first class, certified with return receipt requested and with appropriate postage, (b) hand delivered or (c) sent via facsimile (if a facsimile number is provided below):

If to the Authority:

TREASURE ISLAND DEVELOPMENT AUTHORITY
One Avenue of the Palms

San Francisco, CA 94130
Attn: Director of Island Operations
Facsimile No. (415) 274-0299

If to Grantee:

SAN FRANCISCO STATE UNIVERSITY
1600 Holloway Avenue
San Francisco, CA 94132
Attn: Steve Smith
Phone No. (415) 338-3879

15.2 Effective Date. All communications sent in accordance with Section 15.1 shall become effective on the date of receipt. Such date of receipt shall be determined by: (a) if mailed, the return receipt, completed by the U.S. postal service; (b) if sent via hand delivery, a receipt executed by a duly authorized agent of the party to whom the notice was sent; or (c) if sent via facsimile, the date of telephonic confirmation of receipt by a duly authorized agent of the party to whom the notice was sent or, if such confirmation is not reasonably practicable, the date indicated in the facsimile machine transmission report of the party giving such notice.

15.3 Change of Address. From time to time any party hereto may designate a new address for purposes of this Article 15 by notice to the other party.

ARTICLE 16 COMPLIANCE

16.1 Left Blank by Agreement of the Parties

16.2 Nondiscrimination; Penalties.

(a) **Grantee Shall Not Discriminate.** In the performance of this Agreement, Grantee agrees not to discriminate against any employee, City and County employee working with such grantee or subgrantee, applicant for employment with such grantee or subgrantee, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) **Subcontracts.** Grantee shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subgrantees to comply with such provisions. Grantee's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

(c) **Non-Discrimination in Benefits.** Grantee does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco or where the work is being performed for the Authority or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered

with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) **Condition to Contract.** As a condition to this Agreement, Grantee shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

(e) **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Grantee shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including the remedies provided in such Chapters. Without limiting the foregoing, Grantee understands that pursuant to Sections 12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of fifty dollars (\$50) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Grantee and/or deducted from any payments due Grantee.

16.3 MacBride Principles—Northern Ireland. Pursuant to San Francisco Administrative Code Section 12F.5, City urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. City urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Grantee acknowledges and agrees that he or she has read and understood this section

16.4 Tropical Hardwood and Virgin Redwood Ban. Pursuant to § 804(b) of the San Francisco Environment Code, City urges all grantees not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

16.5 Drug-Free Workplace Policy. Grantee acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on Authority premises. Grantee and its employees, agents or assigns shall comply with all terms and provisions of such Act and the rules and regulations promulgated thereunder.

16.6 Resource Conservation; Liquidated Damages. Chapter 5 of the San Francisco Environment Code (Resource Conservation) is incorporated herein by reference. Failure by Grantee to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract. If Grantee fails to comply in good faith with any of the provisions of Chapter 5, Grantee shall be liable for liquidated damages in an amount equal to Grantee's net profit under this Agreement, or five percent (5%) of the total contract amount, whichever is greater. Grantee acknowledges and agrees that the liquidated damages assessed shall be payable to Authority upon demand and may be offset against any monies due to Grantee from any contract with Authority.

16.7 Compliance with ADA. Grantee acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity to the public, whether directly or through a grantee or contractor, must be accessible to the disabled public. Grantee shall not discriminate against any person protected under the ADA in connection with all or any portion of the Grant Plan and shall comply at all times with the provisions of the ADA.

16.8. Requiring Minimum Compensation for Employees. Grantee agrees to comply fully with and be

bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at www.sfgov.org/olse. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12P. Consistent with the requirements of the MCO, Grantee agrees to all of the following:

(a) For each hour worked by a Covered Employee during a Pay Period on work funded under the Authority contract during the term of this Agreement, Grantee shall provide to the Covered Employee no less than the Minimum Compensation, which includes a minimum hourly wage and compensated and uncompensated time off consistent with the requirements of the MCO. For the hourly gross compensation portion of the MCO, the Grantee shall pay a minimum of \$10.77 an hour for the remainder of the term of this Agreement; provided, however, that if Grantee is a Nonprofit Corporation or a public entity, it shall be required to pay a minimum of \$9 an hour for the term of this Agreement.

If a Covered Employee of a Nonprofit Corporation works in San Francisco, then that employee is covered by San Francisco's Minimum Wage Ordinance, which is Chapter 12R of the Administrative Code. As of January 1, 2007, Chapter 12R's minimum wage is \$9.14 per hour.

(b) Grantee shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City or Authority with regard to Grantee's compliance or anticipated compliance with the requirements of the MCO, for opposing any practice proscribed by the MCO, for participating in proceedings related to the MCO, or for seeking to assert or enforce any rights under the MCO by any lawful means.

(c) Grantee understands and agrees that the failure to comply with the requirements of the MCO shall constitute a material breach by Grantee of the terms of this Agreement. The Authority shall determine whether such a breach has occurred.

(d) If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Grantee fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Grantee fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the Authority, shall have the right to pursue the following rights or remedies and any rights or remedies available under applicable law:

(1) The right to charge Grantee an amount equal to the difference between the Minimum Compensation and any compensation actually provided to a Covered Employee, together with interest on such amount from the date payment was due at the maximum rate then permitted by law;

(2) The right to set off all or any portion of the amount described in Subsection (d)(1) of this Section against amounts due to Grantee under this Agreement;

(3) The right to terminate this Agreement in whole or in part;

(4) In the event of a breach by Grantee of the covenant referred to in Subsection (b) of this Section, the right to seek reinstatement of the employee or to obtain other appropriate equitable relief; and

(5) The right to bar Grantee from entering into future contracts with the Authority for three (3) years.

Each of the rights provided in this Subsection (d) shall be exercisable individually or in combination with any other rights or remedies available to the Authority. Any amounts realized by the Authority pursuant to this subsection shall be paid to the Covered Employee who failed to receive the required Minimum Compensation.

(e) Grantee represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(f) Grantee shall keep itself informed of the current requirements of the MCO, including increases to the hourly gross compensation due Covered Employees under the MCO, and shall provide prompt written notice to all Covered Employees of any increases in compensation, as well as any written communications received by the Grantee from the CITY, which communications are marked to indicate that they are to be distributed to Covered Employees.

(g) Grantee shall provide reports to the Authority in accordance with any reporting standards promulgated by the City under the MCO.

(h) The Grantee shall provide the Authority with access to pertinent records after receiving a written request from the Authority to do so and being provided at least five (5) business days to respond.

(i) The Authority may conduct random audits of Grantee. Random audits shall be (i) noticed in advance in writing; (ii) limited to ascertaining whether Covered Employees are paid at least the minimum compensation required by the MCO; (iii) accomplished through an examination of pertinent records at a mutually agreed upon time and location within ten (10) days of the written notice; and (iv) limited to one audit of Grantee every two years for the duration of this Agreement. Nothing in this Agreement is intended to preclude the Authority from investigating any report of an alleged violation of the MCO.

(j) Any subcontract entered into by Grantee shall require the subgrantee to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. A subcontract means an agreement between the Grantee and a third party that requires the third party to perform all or a portion of the services covered by this Agreement. Grantee shall notify the Department of Administrative Services when it enters into such a subcontract and shall certify to the Department of Administrative Services that it has notified the subgrantee of the obligations under the MCO and has imposed the requirements of the MCO on the subgrantee through the provisions of the subcontract. It is Grantee's obligation to ensure that any subgrantees of any tier under this Agreement comply with the requirements of the MCO. If any subgrantee under this Agreement fails to comply, Authority may pursue any of the remedies set forth in this Section against Grantee.

(k) Each Covered Employee is a third-party beneficiary with respect to the requirements of subsections (a) and (b) of this Section, and may pursue the following remedies in the event of a breach by Grantee of subsections (a) and (b), but only after the Covered Employee has provided the notice, participated in the administrative review hearing, and waited the 21-day period required by the MCO. Grantee understands and agrees that if the Covered Employee prevails in such action, the Covered Employee may be awarded: (1) an amount equal to the difference between the Minimum Compensation and any compensation actually provided to the Covered Employee, together with interest on such amount from the date payment was due at the maximum rate then permitted by law; (2) in the event of a breach by Grantee of subsections (a) or (b), the right to seek reinstatement or to obtain other appropriate equitable relief; and (3) in the event that the Covered Employee is the prevailing party in any legal action or proceeding against Grantee arising from this Agreement, the right to obtain all costs and expenses, including reasonable attorney's fees and disbursements, incurred by the Covered Employee. Grantee also understands that the MCO provides that if Grantee prevails in any such action, Grantee may be awarded

costs and expenses, including reasonable attorney's fees and disbursements, from the Covered Employee if the court determines that the Covered Employee's action was frivolous, vexatious or otherwise an act of bad faith.

(l) If Grantee is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000 (\$50,000 for nonprofits), but Grantee later enters into an agreement or agreements that cause Grantee to exceed that amount in a fiscal year, Grantee shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Grantee and this department to exceed \$25,000 (\$50,000 for nonprofits) in the fiscal year.

16.9 Limitations on Contributions. Through execution of this Agreement, Grantee acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Grantee acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Grantee further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Grantee's board of directors; Grantee's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Grantee; any subgrantee listed in the bid or contract; and any committee that is sponsored or controlled by Grantee. Additionally, Grantee acknowledges that Grantee must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

16.10 Deleted by Agreement of the Parties

16.11 Prohibition on Political Activity with City Funds. In accordance with S. F. Administrative Code Chapter 12.G, no funds appropriated by the City and County of San Francisco for this Agreement may be expended for organizing, creating, funding, participating in, supporting, or attempting to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity"). The terms of San Francisco Administrative Code Chapter 12.G are incorporated herein by this reference. Accordingly, an employee working in any position funded under this Agreement shall not engage in any Political Activity during the work hours funded hereunder, nor shall any equipment or resource funded by this Agreement be used for any Political Activity. In the event Grantee, or any staff member in association with Grantee, engages in any Political Activity, then (i) Grantee shall keep and maintain appropriate records to evidence compliance with this section, and (ii) Grantee shall have the burden to prove that no funding from this Agreement has been used for such Political Activity. Grantee agrees to cooperate with any audit by the Authority or its designee in order to ensure compliance with this section. In the event Grantee violates the provisions of this section, the Authority may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement and any other agreements between Grantee and Authority or City, (ii) prohibit Grantee from bidding on or receiving any new Authority contract for a period of two (2) years, and (iii) obtain reimbursement of all funds previously disbursed to Grantee under this Agreement.

16.12 Preservative-treated Wood Containing Arsenic. Grantee may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term “preservative-treated wood containing arsenic” shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Grantee may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Grantee from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term “saltwater immersion” shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

16.13 Supervision of Minors. Grantee, and any subgrantees, shall comply with California Penal Code section 11105.3 and request from the Department of Justice records of all convictions or any arrest pending adjudication involving the offenses specified in Welfare and Institution Code section 15660(a) of any person who applies for employment or volunteer position with Grantee, or any subgrantee, in which he or she would have supervisory or disciplinary power over a minor under his or her care.

If Grantee, or any subgrantee, is providing services at a park, playground, recreational center or beach controlled by Authority (separately and collectively, “Recreational Site”), Grantee shall not hire, and shall prevent its subgrantees from hiring, any person for employment or volunteer position to provide those services if that person has been convicted of any offense that was listed in former Penal Code section 11105.3 (h)(1) or 11105.3(h)(3).

If Grantee, or any of its subgrantees, hires an employee or volunteer to provide services to minors at any location other than a Recreational Site, and that employee or volunteer has been convicted of an offense specified in Penal Code section 11105.3(c), then Grantee shall comply, and cause its subgrantees to comply with that section and provide written notice to the parents or guardians of any minor who will be supervised or disciplined by the employee or volunteer not less than ten (10) days prior to the day the employee or volunteer begins his or her duties or tasks. Grantee shall provide, or cause its subgrantees to provide Authority with a copy of any such notice at the same time that it provides notice to any parent or guardian.

Grantee shall expressly require any of its subgrantees with supervisory or disciplinary power over a minor to comply with this section of the Agreement as a condition of its contract with the subgrantee.

Grantee acknowledges and agrees that failure by Grantee or any of its subgrantees to comply with any provision of this section of the Agreement shall constitute an Event of Default.

16.14 Protection of Private Information. Grantee agrees to comply fully with and be bound by all of the provisions of Chapter 12M of the San Francisco Administrative Code (“Protection of Private Information”), including the remedies provided. The provisions of Chapter 12M are incorporated herein by reference and made a part of this Agreement as though fully set forth. Capitalized terms used in this section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12M. Consistent with the requirements of Chapter 12M, Grantee agrees to all of the following:

(a) Neither Grantee nor any of its subgrantees shall disclose Private Information obtained from the Authority in the performance of this Agreement to any other subgrantee, person, or other entity, unless one of the following is true:

- (1) The disclosure is authorized by this Agreement,
- (2) The Grantee received advance written approval from the Authority to disclose the information; or
- (3) The disclosure is expressly required by a judicial order.

(b) Any disclosure or use of Private Information authorized by this Agreement shall be in accordance with any conditions or restrictions stated in this Agreement. Any disclosure or use of Private Information authorized by Authority shall be in accordance with any conditions or restrictions stated in the approval.

(c) Private Information shall mean any information that: (1) could be used to identify an individual, including without limitation, name, address, social security number, medical information, financial information, date and location of birth, and names of relatives; or (2) the law forbids any person from disclosing.

(d) Any failure of Grantee to comply with Chapter 12M shall be a material breach of this Agreement. In such an event, in addition to any other remedies available to it under equity or law, the Authority may terminate this Agreement, debar Grantee, or bring a false claim action against Grantee.

16.15 Public Access to Meetings and Records. If the Grantee receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the San Francisco Administrative Code, the Grantee shall comply with and be bound by all the applicable provisions of that Chapter. By executing this Agreement, the Grantee agrees to open its meetings and records to the public in the manner set forth in Sections 12L.4 and 12L.5 of the Administrative Code. The Grantee further agrees to make good-faith efforts to promote community membership on its Board of Directors in the manner set forth in Section 12L.6 of the Administrative Code. The Grantee acknowledges that its material failure to comply with any of the provisions of this paragraph shall constitute a material breach of this Agreement. The Grantee further acknowledges that such material breach of the Agreement shall be grounds for the Authority to terminate and/or not renew the Agreement, partially or in its entirety.

16.16 Graffiti Removal. Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the Authority's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the Authority, the City and its residents, and to prevent the further spread of graffiti.

Grantee shall remove all graffiti from any real property owned or leased by Grantee in the City and County of San Francisco within forty eight (48) hours of the earlier of Grantee's (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This section is not intended to require a Grantee to breach any lease or other agreement that it may have concerning its use of the real property. The term "graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure,

fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" shall not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

Any failure of Grantee to comply with this section of this Agreement shall constitute an Event of Default of this Agreement.

16.17 Food Service Waste Reduction Requirements. Effective June 1, 2007, Grantee agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Grantee agrees that if it breaches this provision, Authority will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that Authority will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by Authority because of Grantee's failure to comply with this provision.

16.18 Slavery Era Disclosure.

(a) Grantee acknowledges that this Agreement shall not be binding upon the Authority until the Director receives the affidavit required by the San Francisco Administrative Code's Chapter 12Y, "San Francisco Slavery Era Disclosure Ordinance."

(b) In the event the Director finds that Grantee has failed to file an affidavit as required by Section 12Y.4(a) and this Agreement, or has willfully filed a false affidavit, the Grantee shall be liable for liquidated damages in an amount equal to the Grantee's net profit on the Agreement, 10 percent of the total amount of the Agreement, or \$1,000, whichever is greatest as determined by the Director. Grantee acknowledges and agrees that the liquidated damages assessed shall be payable to the Authority upon demand and may be set off against any monies due to the Grantee from any Agreement with the Authority.

(c) Grantee shall maintain records necessary for monitoring their compliance with this provision.

16.19 Compliance with Other Laws. Without limiting the scope of any of the preceding sections of this Article 16, Grantee shall keep itself fully informed of City's Charter, codes, ordinances and regulations and all state, and federal laws, rules and regulations affecting the performance of this Agreement and shall at all times comply with such Charter codes, ordinances, and regulations rules and laws.

ARTICLE 17 MISCELLANEOUS

17.1 No Waiver. No waiver by the Authority or City of any default or breach of this Agreement shall be implied from any failure by the Authority or City to take action on account of such default if such default persists or is repeated. No express waiver by the Authority or City shall affect any default other than the default specified in the waiver and shall be operative only for the time and to the extent therein stated. Waivers by City or the Authority of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by the Authority or City of any action requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act.

17.2 Modification. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement.

17.3 Administrative Remedy for Agreement Interpretation. Should any question arise as to the meaning or intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to the director or president, as the case may be, of the Authority who shall decide the true meaning and intent of the Agreement. Such decision shall be final and conclusive.

17.4 Governing Law; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California, without regard to its conflict of laws principles. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

17.5 Headings. All article and section headings and captions contained in this Agreement are for reference only and shall not be considered in construing this Agreement.

17.6 Entire Agreement. This Agreement and the Application Documents set forth the entire Agreement between the parties, and supersede all other oral or written provisions. If there is any conflict between the terms of this Agreement and the Application Documents, the terms of this Agreement shall govern. The following appendices are attached to and a part of this Agreement:

- Appendix A, Definition of Eligible Expenses
- Appendix B, Definition of Grant Plan
- Appendix C, Form of Funding Request
- Appendix D, Interests in Other City and Authority Contracts
- Appendix E, Permitted Subgrantees

17.7 Certified Resolution of Signatory Authority. Upon request of Authority, Grantee shall deliver to Authority a copy of the corporate resolution(s) authorizing the execution, delivery and performance of this Agreement, certified as true, accurate and complete by the secretary or assistant secretary of Grantee.

17.8 Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

17.9 Successors; No Third-Party Beneficiaries. Subject to the terms of Article 13, the terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their successors and assigns. Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity (other than the parties hereto and their respective successors and assigns and, in the case of Article 9, the Indemnified Parties) any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

17.10 Survival of Terms. The obligations of Grantee and the terms of the following provisions of this Agreement shall survive and continue following expiration or termination of this Agreement: Sections 6.4 through 6.8, Articles 7 and 9, Section 10.4, Article 12, Section 13.4, Section 14.3 and this Article 17.

17.11 Further Assurances. From and after the date of this Agreement, Grantee agrees to do such things, perform such acts, and make, execute, acknowledge and deliver such documents as may be reasonably necessary or proper and usual to complete the transactions contemplated by this Agreement and to carry out the purpose of this Agreement in accordance with this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

AUTHORITY

**TREASURE ISLAND DEVELOPMENT
AUTHORITY**

By: _____
Mirian Saez
Director of Island Operations

Approved as to Form:

Dennis J. Herrera
City Attorney

By: _____
Deputy City Attorney

GRANTEE:

By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.

I have read and understood paragraph 16.3, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.

SAN FRANCISCO STATE UNIVERSITY

By: _____

Print Name: _____

Title: _____

Federal Tax ID #: _____

Authority Vendor Number: _____

Appendix A--Definition of Eligible Expenses

The term "Eligible Expenses" shall mean expenses incurred and paid by Grantee during the term of this Agreement in implementing the terms of the Grant Plan.

All Eligible Expenses *must* be:

- (a) paid by Grantee prior to the submission of the applicable Funding Request (no advances of Grant Funds shall be made);
- (b) direct out-of-pocket expenses incurred by Grantee or its officers, directors and employees;
- (c) operating (as opposed to capital) expenses;
- (d) within the scope of the applicable Budget line item; and
- (e) directly related to activities performed within the physical boundaries of the City and County of San Francisco.

Eligible Expenses shall *include*:

- (1) net salaries and wages
- (2) rent or related fees for equipment, performance or meeting halls or studios;
- (3) telephone charges, stationery and office supplies; and
- (4) advertising and publicity costs.

Eligible Expenses shall specifically *exclude*:

- (1) personal or business-related costs or expenses related to meals, catering, transportation, lodging, fundraising or educational activities;
- (2) capital expenses;
- (3) any costs or expenses which are prohibited under the terms and conditions of any federal or state grant supplying all or any portion of the Grant Funds;
- (4) penalties, late charges or interest on any late payments; or
- (5) taxes or other amounts withheld from wages or salaries which have not actually been paid by Grantee during the term of this Agreement or which relate to periods before or after the term of this Agreement.

Appendix B--Definition of Grant Plan

The term "Grant Plan" shall mean the Memorandum of Agreement dated as of September 16, 2009, among the Treasure Island Development Authority, Treasure Island Homeless Development Initiative, the Department of Children Youth and their Families, and the San Francisco State University's Head Start Program, which is incorporated herein by reference.

Appendix C--Form of Funding Request

FUNDING REQUEST

_____, 2009

Treasure Island Development Authority
1 Avenue of the Palms
San Francisco, CA 94130

Re: Grant No. <<INSERT YOUR REFERENCE NO.>>

Pursuant to Section 5.3 of the Grant Agreement (the "Grant Agreement") dated as of <<INSERT DATE>>, between the undersigned ("Grantee") and the Treasure Island Development Authority (all capitalized terms defined in the Grant Agreement shall have the same meaning when used herein), Grantee hereby requests a disbursement of Grant Funds as follows:

Total Amount Requested
in this Request: \$ _____

Maximum Amount of
Grant Funds Specified in
Section 5.1 of the Grant
Agreement: \$ _____

Total of All Grant Funds
Disbursed Prior to this
Request: \$ _____

Grantee certifies that:

(a) The total amount of Grant Funds requested pursuant to this Funding Request will be used to pay Eligible Expenses, which Eligible Expenses are set forth on the attached Schedule 1, to which is attached true and correct copies of all required documentation of such Eligible Expenses.

(b) After giving effect to the disbursement requested pursuant to this Funding Request, the Grant Funds disbursed as of the date of this disbursement will not exceed the maximum amount set forth in Section 5.1.

(c) The representations and warranties made in the Agreement are true and correct in all material respects as if made on the date hereof;

(d) No Event of Default has occurred and is continuing; and

(e) The undersigned is an officer of Grantee authorized to execute this Funding Request on behalf of Grantee.

By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.

I have read and understood paragraph 16.3, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.

SAN FRANCISCO STATE UNIVERSITY

By _____

Print Name _____

Title _____

SCHEDULE 1 TO REQUEST FOR FUNDING

The following is an itemized list of Eligible Expenses for which Grant Funds are requested:

Payee	Amount	Description
--------------	---------------	--------------------

The following are attached as part of this Schedule 1:

- (1) an invoice for each item of Eligible Expense for which Grant Funds are requested;
- (2) the front and the back of canceled checks or other written evidence documenting the payment of each invoice;
- (3) for Eligible Expenses which are wages or salaries, payroll registers containing a detailed breakdown of earnings and withholdings, together with both sides of canceled payroll checks evidencing payment thereof (unless payment has been made electronically).

Appendix D--Interests In Other City and Authority Contracts

City Department or Commission	Date of Contract	Amount of Contract

ITEM 8, EXHIBIT C

SUBLEASE No. 185

between

TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

SAN FRANCISCO STATE UNIVERSITY

as Subtenant

For the Sublease of

Building 502

Treasure Island Naval Station
San Francisco, California

September 16, 2009

TREASURE ISLAND SUBLEASE

Table of Contents

<u>Section</u>	<u>Page</u>
1. BASIC SUBLEASE INFORMATION.....	3
2. PREMISES	5
3. COMPLIANCE WITH MASTER LEASE	8
4. TERM.....	8
5. RENT	9
6. TAXES, ASSESSMENTS AND OTHER EXPENSES.....	10
7. USE; COVENANTS TO PROTECT PREMISES.....	11
8. ALTERATIONS	12
9. REPAIRS AND MAINTENANCE.....	13
10. LIENS	14
11. COMPLIANCE WITH LAWS.....	14
12. ENCUMBRANCES	16
13. DAMAGE OR DESTRUCTION.....	16
14. ASSIGNMENT AND SUBLETTING	16
15. DEFAULT; REMEDIES.....	17
16. RELEASE AND WAIVER OF CLAIMS; INDEMNIFICATION	18
17. INSURANCE.....	21
18. ACCESS BY SUBLANDLORD	23
19. SURRENDER.....	24
20. HAZARDOUS MATERIALS.....	25
21. GENERAL PROVISIONS.....	27
22. SPECIAL PROVISIONS	30

LIST OF EXHIBITS:

EXHIBIT A – Master Lease
EXHIBIT B – Diagram of Premises
EXHIBIT C – Cover Page of Seismic Report
EXHIBIT D – Rules and Regulations
EXHIBIT E – Utilities
EXHIBIT F – TIHDI Work Force Hiring Plan
EXHIBIT G – Memorandum of Agreement

ADDENDUM TO SUBLEASE

TREASURE ISLAND SUBLEASE

THIS SUBLEASE (the "Sublease"), dated for reference purposes only as of September 16, 2009, is by and between the TREASURE ISLAND DEVELOPMENT AUTHORITY, a California public benefit corporation ("Sublandlord"), and SAN FRANCISCO STATE UNIVERSITY ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Sublease is made with reference to the following facts and circumstances:

A. The United States of America, acting by and through the Department of Navy ("Master Landlord") and Sublandlord entered into a lease dated October 18, 2001, as amended from time to time (the "Master Lease"), a copy of which is attached hereto as Exhibit A. Under the Master Lease, the Master Landlord leased to Sublandlord certain real property located on Treasure Island Naval Station (the "Property"), as more particularly described in the Master Lease.

B. Subtenant desires to sublet from Sublandlord, and Sublandlord is willing to sublet to Subtenant, a portion of the Property on the terms and conditions contained in this Sublease.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. BASIC SUBLEASE INFORMATION

The following is a summary of basic sublease information (the "Basic Sublease Information"). Each item below shall be deemed to incorporate all of the terms of this Sublease pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of this Sublease, the more specific provision shall control.

Sublease Reference Date: September 16, 2009

Sublandlord: TREASURE ISLAND DEVELOPMENT
AUTHORITY, a California public benefit
corporation

Subtenant: SAN FRANCISCO STATE UNIVERSITY

Subleased Premises (Section 2.1): Parcel A: approximately 10,123 square feet of classroom space located at Building 502; and Parcel B: approximately 33,977 square feet of land located adjacent to Building 502, including the improvements thereon, on Treasure Island, San Francisco, CA., as more particularly shown on Exhibit B, attached hereto.

Facility:	Building 502
Term: (Section 4.1):	Commencement date: September 16, 2009 Expiration date: December 31, 2009
	Notwithstanding anything in this Sublease to the contrary, either Sublandlord or Subtenant, in its sole discretion, may terminate this Sublease for any reason upon delivery of not less than thirty (30) days' prior written notice to the other party. In addition, Sublandlord shall have the right to terminate this Sublease in accordance with Addendum Section 7.1(a).
Base Rent (Section 5.1):	Base Rent is waived. Subtenant will pay, as Additional Charges, \$700.00 per month as Subtenant's contribution for expenses paid or incurred by Sublandlord in connection with the ownership, operation, maintenance, repair and management of the common areas, including but not limited to the sidewalks, walkways, driveways, curbs, lighting systems and security services, throughout Treasure Island.
Rent Adjustment Date(s) (Section 5.2):	Not Applicable
Rent Increase Percentage (Section 5.2):	Not Applicable
Use (Section 7.1):	Operation of a childcare facility as more particularly described in Addendum Section 7.1(a).
Repair Amount (Section 13.1):	Ten Thousand Dollars (\$10,000)
Security Deposit (Section 19.3):	Waived
Notice Address of Sublandlord (Section 21.1):	Treasure Island Development Authority Treasure Island Project Office 410 Avenue of Palms Building 1, 2nd Floor Treasure Island San Francisco, CA 94130 Attn: Mirian Saez Director of Island Operations Fax No.: 415-274-0299

with a copy to:

Office of the City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Eileen M. Malley
Fax No.: (415) 554-4755

Notice Address of Subtenant (Section 21.1):

SAN FRANCISCO STATE UNIVERSITY
1600 Holloway Avenue
San Francisco, CA 94132

Attn: Steve Smith

Phone No. (415) 338-3879
Fax No. N/A

Notice Address of Master Landlord (Section 21.1):

Department of The Navy
Base Realignment and Closure
Program Management Office West
1455 Frazee Road, Suite 900
San Diego, CA 92108-4310
Fax #: (619) 532-9858

Other Noteworthy Provisions

See Addendum

2. PREMISES

2.1. Subleased Premises. Subject to the terms, covenants and conditions of this Sublease, Sublandlord subleases to Subtenant the Premises. Subtenant shall have the non-exclusive right to use, together with other subtenants in the Facility, the lobbies, corridors, elevators, stairways and other public areas of the Facility and the Property (collectively, the "Common Areas"), and the non-exclusive right of access to and from the Premises by the main entrances to the Facility and the Property.

In the event Subtenant uses or occupies space outside the Premises without the prior written consent of Sublandlord (the "Encroachment Area"), then upon written notice from Sublandlord ("Notice to Vacate"), Subtenant shall immediately vacate such Encroachment Area and pay as additional rent for each day Subtenant used, occupied, uses or occupies such Encroachment Area, an amount equal to the rentable square footage of the Encroachment Area, multiplied by the higher of the (a) highest rental rate then approved by Sublandlord's Board of Directors for the Premises or the Facility, or (b) then current fair market rent for such Encroachment Area, as reasonably determined by Sublandlord (the "Encroachment Area

Charge"). If Subtenant uses or occupies such Encroachment Area for a fractional month, then the Encroachment Area Charge for such period shall be prorated based on a thirty (30) day month. In no event shall acceptance by Sublandlord of the Encroachment Area Charge be deemed a consent by Sublandlord to the use or occupancy of the Encroachment Area by Subtenant or a waiver (or be deemed as waiver) by Sublandlord of any and all other rights and remedies of Sublandlord under this Sublease (including Subtenant's obligation to indemnify, defend and hold Sublandlord harmless as set forth in the last paragraph of this Section 2.1), at law or in equity.

In addition to the foregoing amount, Subtenant shall pay to Sublandlord, as additional rent, an amount equaling Two Hundred Dollars (\$200.00) upon delivery of the initial Notice to Vacate plus the actual cost associated with a survey of the Encroachment Area. In the event Sublandlord determines during subsequent inspection(s) that Subtenant has failed to vacate the Encroachment Area, then Subtenant shall pay to Sublandlord, as additional rent, an amount equaling Three Hundred Dollars (\$300.00) for each additional Notice to Vacate, if applicable, delivered by Sublandlord to Subtenant following each inspection. The parties agree that the charges associated with each inspection of the Encroachment Area, delivery of each Notice to Vacate and survey of the Encroachment Area represent a fair and reasonable estimate of the administrative cost and expense which Sublandlord will incur by reason of Sublandlord's inspection of the Premises, issuance of each Notice to Vacate and survey of the Encroachment Area. Subtenant's failure to comply with the applicable Notice to Vacate and Sublandlord's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights and remedies of Sublandlord under this Sublease, at law or in equity. The amounts set forth in this Section 2.1 shall be due within three (3) business days following the applicable Notice to Vacate and/or separate invoice relating to the actual cost associated with a survey of the Encroachment Area.

In addition to the rights and remedies of Sublandlord as set forth in the immediately foregoing two paragraphs of this Section 2.1, the terms and conditions of the indemnity and exculpation provision set forth in Section 16 below shall also apply to Subtenant's use and occupancy of the Encroachment Area as if the Premises originally included the Encroachment Area, and Subtenant shall additionally indemnify, defend and hold Sublandlord harmless from and against any and all loss or liability resulting from delay by Subtenant in so surrendering the Encroachment Area including, without limitation, any loss or liability resulting from any claims against Sublandlord made by any tenant or prospective tenant founded on or resulting from such delay and losses to Sublandlord due to lost opportunities to lease any portion of the Encroachment Area to any such tenant or prospective tenant, together with, in each case, actual attorneys' fees and costs.

By placing their initials below, each party specifically confirms the accuracy of the statements made in this Section 2.1 and the reasonableness of the amount of the charges described in this Section 2.1.

Initials: _____ Sublandlord _____ Subtenant

2.2. As Is Condition of Premises.

(a) **Inspection of Premises.** Subtenant represents and warrants that Subtenant has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns, and each of them ("Subtenant's Agents"), of the Premises and the suitability of the Premises for Subtenant's intended use. Subtenant is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses. As part of its inspection of the Premises, Subtenant acknowledges its receipt and review of the Seismic Report referenced in Section 2.2(c) below and the Joint Inspection Report referenced in Section 6 of the Master Lease.

(b) **As Is; Disclaimer of Representations.** Subtenant acknowledges and agrees that the Premises are being subleased and accepted in their "AS IS, WITH ALL FAULTS" condition, without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties, including without limitation the orders and citations of any regulatory authority with jurisdiction over life and safety issues concerning the Premises governing the use, occupancy, management, operation and possession of the Premises ("Laws"). Without limiting the foregoing, this Sublease is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Subtenant acknowledges and agrees that neither Sublandlord, the City and County of San Francisco ("City"), nor any of their respective officers, directors, employees, agents, affiliates, subsidiaries, licensees or contractors, or their respective heirs, legal representatives, successors and assigns ("Sublandlord's Agents") have made, and Sublandlord hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or environmental condition of the Premises, including, without limitation, the matters described in the Seismic Report (as defined below), (iii) the quality, nature or adequacy of any utilities serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the Premises if required for Subtenant's use and permitted under this Sublease, (v) the safety of the Premises, whether for the use by Subtenant or any other person, including Subtenant's Agents or Subtenant's clients, customers, vendors, invitees, guests, members, licensees, assignees or subtenants ("Subtenant's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

(c) **Seismic Report.** Without limiting Section 2.2(b) above, Subtenant expressly acknowledges for itself and Subtenant's Agents that it received and read that certain report dated August 1995, entitled "*Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions*," prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Subtenant has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing. The Seismic Report, among other matters, describes the conditions of the soils of the

Property and points out that in the area of the Property where the Premises are located, an earthquake of magnitude 7 or greater is likely to cause the ground under and around the Premises to spread laterally to a distance of ten (10) or more feet and/or result in other risks. In that event, there is a significant risk that any structures or improvements located on or about the Premises, may fail structurally and collapse.

3. COMPLIANCE WITH MASTER LEASE

3.1. Incorporation by Reference. All of the terms and conditions of the Master Lease are hereby incorporated by reference into this Sublease as if fully set forth herein.

3.2. Performance of Master Landlord's Obligations. Sublandlord does not assume the obligations of Master Landlord under the Master Lease. With respect to work, services, repairs, restoration, the provision of utilities or HVAC services, or the performance of any other obligations required of Master Landlord under the Master Lease, Sublandlord's sole obligation with respect thereto shall be to request the same, on request in writing by Subtenant, and to use reasonable efforts to obtain the same from Master Landlord. Subtenant shall cooperate with Sublandlord as may be required to obtain from Master Landlord any such work, services, repairs, repainting, restoration, the provision of utilities or HVAC services, or the performance of any of Master Landlord's obligations under the Master Lease.

3.3. Conflict. If any of the provisions of this Sublease conflict with any portion of the Master Lease as incorporated herein, then the terms of the Master Lease shall govern.

3.4. Compliance with Master Lease. Subtenant shall not do or permit to be done anything which would constitute a violation or a breach of any of the terms, conditions or provisions of the Master Lease or which would cause the Master Lease to be terminated or forfeited by virtue of any rights of termination reserved by or vested in the Master Landlord.

4. TERM

4.1. Term of Sublease. The term of this Sublease (the "Term") shall commence on the Commencement Date set forth in the Basic Sublease Information, and expire on the Expiration Date set forth in the Basic Sublease Information, unless sooner terminated pursuant to the terms of this Sublease.

4.2. Effective Date. This Sublease shall become effective on the date (the "Effective Date") upon the later of (i) the Parties' execution and delivery of this Sublease, (ii) Sublandlord's Board of Director's approval of this Sublease at a duly noticed meeting, if such approval is required, or (iii) the Commencement Date.

4.3. Automatic Termination. If the Master Lease terminates for any reason whatsoever, this Sublease shall automatically terminate and the Parties shall thereafter be relieved from all liabilities and obligations under this Sublease, except for liabilities and obligations which expressly survive termination of this Sublease. Subtenant acknowledges and agrees that it has

reviewed the Master Lease, is aware of the circumstances upon which the Master Lease may be terminated and hereby assumes all risks associated with the automatic termination of this Sublease because of the termination of the Master Lease.

4.4. Termination by Sublandlord. Subtenant's period of occupancy of the Premises is subject to Sublandlord's right to terminate this Sublease as provided herein at such time as Sublandlord determines, in its sole discretion, that the Premises are needed in connection with a Sublandlord program or project. As used herein, "Sublandlord program or project" shall mean any development or renovation, by public and/or private parties, of the building or land in or on which the Premises are located. In the event of any such development or renovation, Sublandlord shall have the right to terminate this Sublease without liability or expense upon delivery to Subtenant of thirty (30) days prior written notice of such termination. Subtenant agrees and shall be required to surrender possession of the Premises by the end of such thirty (30) day period.

4.5. No Relocation Assistance; Waiver of Claims. Subtenant acknowledges that it will not be a displaced person as that term is defined under the California Government Code Section 7260 et seq. ("California Relocation Act") and the Uniform Relocation Assistance and Real Property Policies Act, 42 U.S.C. 4601 et seq. ("URA"), and that Subtenant will not be entitled to any relocation benefits provided under the California Relocation Act and the URA, including any moving expenses, reimbursement for costs associated with increased rent, loss of goodwill or other costs related to the termination of Subtenant's Lease and Subtenant's relocation from the Premises. Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims against, and covenants not to sue, Sublandlord, its departments, commissions, officers, directors and employees, agents, contractors and successors and assigns and all persons acting by, through or under each of them, under any laws, including, without limitation, any and all claims for relocation benefits or assistance from Sublandlord under federal and state relocation assistance laws (including, but not limited to, California Government Code Section 7260, et seq., and the Uniform Relocation Assistance and Real Property Acquisition Policies Act, 42 U.S.C. 4601, et seq.).

Initials: _____ Subtenant

5. RENT

5.1. Base Rent. Throughout the Term, beginning on the Commencement Date, Subtenant shall pay to Sublandlord Base Rent in the amount set forth in the Basic Sublease Information. Base Rent shall be paid to Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Base Rent shall be payable on or before the first day of each month, in advance, at the Notice Address of Sublandlord provided in Section 21.1 hereof or such other place as Sublandlord may designate in writing. If the Commencement Date occurs on a date other than the first day of a calendar month, or the Sublease terminates on a day other than the last day of a calendar month, then the monthly payment of Base Rent for such fractional month shall be prorated based on a thirty (30) day month.

5.2. **Adjustments in Base Rent.** If this Sublease has not been terminated, then on each Rent Adjustment Date set forth in the Basic Sublease Information, the Base Rent shall be increased by the Rent Increase Percentage set forth in the Basic Lease Information.

5.3. **Additional Charges.** In addition to Base Rent, Subtenant shall pay all other charges related to the Premises otherwise payable by Subtenant to Sublandlord hereunder, including, without limitation, all late charges and default interest attributable to late payments and/or defaults of Subtenant hereunder, all utility charges, and any amounts other than Base Rent that shall become due and payable by Subtenant under this Sublease (together, the "Additional Charges"). Together, Base Rent and Additional Charges shall hereinafter be referred to as the "Rent".

5.4. **Late Charge.** If Subtenant fails to pay any Rent within ten (10) days after the date the same is due and payable, such unpaid amount will be subject to a late payment charge equal to six percent (6%) of the unpaid amount in each instance. The late payment charge has been agreed upon by Sublandlord and Subtenant, after negotiation, as a reasonable estimate of the additional administrative costs and detriment that Sublandlord will incur as a result of any such failure by Subtenant, the actual costs thereof being extremely difficult if not impossible to determine. The late payment charge constitutes liquidated damages to compensate Sublandlord for its damages resulting from such failure to pay and Subtenant shall promptly pay such charge to Sublandlord together with such unpaid amount.

5.5. **Default Interest.** If any Rent is not paid within ten (10) days following the due date, such unpaid amount shall bear interest from the due date until paid at the rate of ten percent (10%) per year. However, interest shall not be payable on late charges incurred by Subtenant nor on any amounts on which late charges are paid by Subtenant to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest shall not excuse or cure any default by Subtenant.

6. TAXES, ASSESSMENTS AND OTHER EXPENSES

6.1. Taxes and Assessments, Licenses, Permit Fees and Liens.

(a) **Payment Responsibility.** Subtenant shall pay any and all real and personal property taxes, including, but not limited to, possessory interest taxes, general and special assessments, excises, licenses, permit fees and other charges and impositions of every description levied on or assessed against the Premises, any Alterations, Subtenant's Personal Property, or Subtenant's use of the Premises or any Alterations during the Term. Subtenant shall make all such payments directly to the charging authority when due and payable and at least ten (10) days prior to delinquency. However, with respect to real property taxes and assessments levied on or assessed against the Premises for which Sublandlord receives the tax bill directly from the taxing authority, Subtenant shall reimburse Sublandlord for payment of such sums immediately upon demand.

(b) **Taxability of Possessory Interest.** Without limiting the foregoing, Subtenant recognizes and agrees that this Sublease may create a possessory interest subject to property taxation and that Subtenant may be subject to the payment of property taxes levied on such interest.

(c) **No Liens.** Subtenant shall not allow or suffer a lien for any taxes payable by Subtenant hereunder to be imposed upon the Premises or upon any equipment or other property located thereon without discharging the same as soon as practicable, and in no event subsequent to delinquency.

(d) **Reporting Information.** Subtenant agrees to provide such information as Sublandlord may request to enable Sublandlord to comply with any possessory interest tax reporting requirements applicable to this Sublease.

6.2. **Evidence of Payment.** Subtenant shall, upon Sublandlord's request, furnish to Sublandlord within ten (10) days after the date when any charges are due and payable, official receipts of the appropriate taxing authority or other evidence reasonably satisfactory to Sublandlord, evidencing payment thereof.

7. **USE; COVENANTS TO PROTECT PREMISES**

7.1. **Subtenant's Permitted Use.** Subtenant may use the Premises for the Permitted Use set forth in the Basic Sublease Information, but for no other purpose without the prior written consent of Sublandlord, which consent may be given or withheld in Sublandlord's sole and absolute discretion.

7.2. **Subtenant's Access to the Premises.** As provided in Section 30 of the Master Lease, Subtenant shall have access to the Premises on a 24-hours per day, seven days a week basis; provided, however, Subtenant shall coordinate such access with the local representative of Master Landlord.

7.3. **Rules and Regulations.** Subtenant agrees to adhere to all rules and regulations regarding the Premises attached hereto as Exhibit D, and any additional rules regarding security, ingress, egress, safety and sanitation applicable to the Premises or the Property, as such rules and regulations may be prescribed by Master Landlord or Sublandlord from time to time.

7.4. **Easements.** This Sublease shall be subject to all outstanding easements and rights-of-way for location of any type of facility over, across, in, and upon the Premises or any portion thereof, and to the right of Master Landlord to grant such additional easements and rights-of-way over, across, in and upon the Premises as Master Landlord shall determine to be in the public interest ("Additional Easements"); provided that, as provided in Section 29 of the Master Lease, Master Landlord shall use its best efforts to minimize any interference with Subtenant's operations hereunder caused by the granting of any such Additional Easements and the granting of such Additional Easements shall be conditioned on the assumption by the grantee thereof of liability to Subtenant for such damages as Subtenant shall suffer for property destroyed or property rendered unusable on account of the grantee's exercise of its rights thereunder. There is hereby reserved to the holders of such Additional Easements as are presently outstanding or

which may hereafter be granted, to any workers officially engaged in the construction, installation, maintenance, operation, repair or replacement of facilities located thereon, and to any federal, state or local official engaged in the official inspection thereof, such reasonable rights of ingress and egress over the Premises as shall be necessary for the performance of their duties with regard to such facilities.

7.5. No Interference with Navy Operations. Subtenant shall not conduct operations, nor make any Alterations (as defined below), that would interfere with or otherwise restrict Master Landlord's operations or environmental clean-up or restoration actions by the Master Landlord, Sublandlord, the Environmental Protection Agency, the State of California or their contractors. Environmental clean-up, restoration or testing activities by these Parties shall take priority over Subtenant's use of the Premises in the event of any conflict; provided, however, in such event, Master Landlord and Sublandlord shall use their best efforts to minimize any disruption of Subtenant's operation.

7.6. No Unlawful Uses, Nuisances or Waste. Without limiting the foregoing, Subtenant shall not use, occupy or permit the use or occupancy of any of the Premises in any unlawful manner or for any illegal purpose, or permit any offensive, noisy or hazardous use or any waste on or about the Premises. Subtenant shall eliminate any nuisances or hazards relating to its activities on or about the Premises. Subtenant shall not conduct any business, place any sales display, or advertise in any manner in areas on or about the Property outside of the Premises.

8. ALTERATIONS

8.1. Alterations. Subtenant shall not construct, install, make or permit to be made any alterations, installations or additions ("Alterations") in, to or about the Premises, without Sublandlord's prior written consent in each instance, which consent may be given or withheld in Sublandlord's sole and absolute discretion. Subject to Sublandlord's consent as provided above, any Alterations shall be done at Subtenant's sole expense (i) in strict accordance with plans and specifications approved in advance by Sublandlord in writing, (ii) by duly licensed and bonded contractors or mechanics approved by Sublandlord, (iii) in a good and professional manner, (iv) in strict compliance with all Laws, and (v) subject to all other conditions that Sublandlord may reasonably impose. In no event shall the construction, installation or the making of any Alterations impair the use or operation of the Property, or any portion thereof, or Sublandlord's or Master Landlord's access thereto. Prior to the commencement of any work on the Premises to construct any Alterations, Subtenant, at its sole expense, shall procure all required permits and approvals and shall promptly upon receipt deliver copies of all such documents to Sublandlord. No material change from the plans and specifications for any Alterations approved by Sublandlord may be made without Sublandlord's prior consent. Sublandlord and Sublandlord's Agents shall have the right to inspect the course of construction on the Premises at all times.

8.2. Historic Properties. Without limiting the generality of the foregoing, Subtenant acknowledges and agrees that, pursuant to Section 15 of the Master Lease, no Alterations may be made to any improvements on the Premises (i) which will affect the historic characteristics of the improvements or modify the appearance of the exterior of the improvements without Master

Landlord's and Sublandlord's prior written consent, or (ii) if such Alterations would preclude qualifying the improvements for inclusion on the National Register for Historic Places.

8.3. Ownership of Alterations. Any Alterations constructed on or affixed to the Premises by or on behalf of Subtenant pursuant to the terms and limitations of this Section 8 shall be and remain Subtenant's property during the Term. Upon the termination of this Sublease, Subtenant shall remove all such Alterations from the Premises in accordance with the provisions of Section 19 hereof, unless Sublandlord, at its sole option and without limiting any of the provisions of Section 8.1 above, requires that such Alterations remain on the Premises following the expiration or termination of this Sublease.

8.4. Subtenant's Personal Property. All furniture, furnishings and articles of movable personal property and equipment used upon or installed in the Premises by or for the account of Subtenant that can be removed without structural or other material damage to the Premises (all of which are herein called "Subtenant's Personal Property") shall be and remain the property of Subtenant and shall be removed by Subtenant, subject to the provisions of Section 19 hereof. Subtenant shall be solely responsible for providing any security or other protection of or maintenance to Subtenant's Personal Property.

8.5. Sublandlord's Alterations. Sublandlord reserves the right at any time to make alterations, additions, repairs, deletions or improvements to the common areas or any other part of the improvements on the Premises; provided, that any such alterations or additions shall not materially adversely affect the functional utilization of the Premises for the purposes stated herein.

9. REPAIRS AND MAINTENANCE

9.1. Subtenant Responsible for Maintenance and Repair. Subtenant assumes full and sole responsibility for the condition, operation, repair and maintenance and management of the Premises from and after the Commencement Date and shall keep the Premises in good condition and repair. Sublandlord shall not be responsible for the performance of any repairs, changes or alterations to the Premises, nor shall Sublandlord be liable for any portion of the cost thereof. Subtenant shall make all repairs and replacements, interior and exterior, structural as well as non-structural, ordinary as well as extraordinary, foreseen and unforeseen, which may be necessary to maintain the Premises at all times in a clean, safe, attractive and sanitary condition and in good order and repair, to Sublandlord's and Master Landlord's reasonable satisfaction, provided, however, that neither Subtenant nor Sublandlord shall be required to make structural repairs or Alterations to correct conditions affecting the Premises existing prior to the Commencement Date. If any portion of the Premises is damaged by any activities conducted by Subtenant or Subtenant's Agents or Subtenant's Invitees hereunder, Subtenant shall immediately, at its sole cost, repair all such damage and restore the Premises to its previous condition.

9.2. Utilities. Sublandlord shall provide the basic utilities and services described in the attached Exhibit E (the "Standard Utilities and Services") to the Premises, subject to the terms and conditions contained therein. Subtenant shall be responsible for furnishing, at its sole cost, any utilities or services other than or in excess of the Standard Utilities and Services that

Subtenant may need for its use of the Premises. Subtenant shall pay, without set off or counterclaim, all amounts due and owing for such Standard Utilities and Services at the rates provided in and as otherwise set forth in Exhibit E.

9.3. **Landscaping.** Subtenant shall maintain the exterior landscaping of the Premises in good condition and repair.

9.4. **Janitorial Services.** Subtenant shall provide all janitorial services for the Premises.

9.5. **Pest Control.** Subtenant shall provide and pay for all pest control services required within the Premises, and shall keep the Premises free of all pests at all times.

9.6. **Trash.** Subtenant shall deposit all trash into designated containers in the Premises in compliance with the Rules and Regulations attached hereto as Exhibit D. Subtenant shall pay for the removal of trash from the designated containers. Subtenant shall abide by all rules established by Sublandlord or Master Landlord for the handling of trash.

9.7. **No Right to Repair and Deduct.** Subtenant expressly waives the benefit of any existing or future Laws or judicial or administrative decision that would otherwise permit Subtenant to make repairs or replacements at Sublandlord's expense, or to terminate this Sublease because of Sublandlord's failure to keep the Premises or any part thereof in good order, condition or repair, or to abate or reduce any of Subtenant's obligations hereunder on account of the Premises or any part thereof being in need of repair or replacement. Without limiting the foregoing, Subtenant expressly waives the provisions of California Civil Code Sections 1932, 1941 and 1942 or any similar Laws with respect to any right of Subtenant to terminate this Sublease and with respect to any obligations of Sublandlord hereunder or any right of Subtenant to make repairs or replacements and deduct the cost thereof from Rent.

10. LIENS

10.1. **Liens.** Subtenant shall keep the Premises free from any liens arising out of any work performed, material furnished or obligations incurred by or for Subtenant. In the event Subtenant does not, within five (5) days following the imposition of any such lien, cause the lien to be released of record by payment or posting of a proper bond, Sublandlord shall have in addition to all other remedies provided herein and by law or equity the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including, but not limited to, payment of the claim giving rise to such lien. All such sums paid by Sublandlord and all expenses it incurs in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to Sublandlord by Subtenant upon demand. Sublandlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law or that Sublandlord deems proper for its protection and protection of the Premises from mechanics' and materialmen's liens. Subtenant shall give Sublandlord at least fifteen (15) days' prior written notice of the commencement of any repair or construction on any of the Premises.

11. COMPLIANCE WITH LAWS

11.1. Compliance with Laws. Subtenant shall promptly, at its sole expense, maintain the Premises and Subtenant's use and operations thereon in strict compliance at all times with all present and future Laws, whether foreseen or unforeseen, ordinary as well as extraordinary; provided, however Subtenant shall not be required to make repairs or structural changes to the Premises required solely to correct conditions affecting the Premises existing prior to the Commencement Date or not related to Subtenant's use of the Premises, unless the requirement for such changes is imposed as a result of any Alterations made or requested to be made by Subtenant. Such Laws shall include, without limitation, all Laws relating to health and safety and disabled accessibility including, without limitation, the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq. and Title 24 of the California Code of Regulations, all present and future Environmental Laws (as defined in this Sublease below), and all applicable provisions of the San Francisco Environment Code. No occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, and however extraordinary, shall give Subtenant any right to seek redress against Sublandlord for failing to comply with any Laws. Subtenant waives any rights now or hereafter conferred upon it by any existing or future Law to compel Sublandlord to make any repairs to comply with any such Laws, on account of any such occurrence or situation.

11.2. Regulatory Approvals.

(a) Responsible Party. Subtenant understands and agrees that Subtenant's use of the Premises and construction of any Alterations permitted hereunder may require authorizations, approvals or permits from governmental regulatory agencies with jurisdiction over the Premises. Subtenant shall be solely responsible for obtaining any and all such regulatory approvals, including without limitation, any liquor permits or approvals. Subtenant shall not seek any regulatory approval without first obtaining the written consent of Sublandlord. Subtenant shall bear all costs associated with applying for, obtaining and maintaining any necessary or appropriate regulatory approval and shall be solely responsible for satisfying any and all conditions imposed by regulatory agencies as part of a regulatory approval. Any fines or penalties levied as a result of Subtenant's failure to comply with the terms and conditions of any regulatory approval shall be immediately paid and discharged by Subtenant, and Sublandlord shall have no liability, monetary or otherwise, for any such fines or penalties. Subtenant shall indemnify, protect, defend and hold harmless forever ("Indemnify") Sublandlord, City and Master Landlord, including, but not limited to, all of their respective officers', directors, employees, agents, affiliates, subsidiaries, licensees, contractors, boards, commissions, departments, agencies and other subdivisions and each of the persons acting by, through or under each of them, and their respective heirs, legal representatives, successors and assigns, and each of them (the "Indemnified Parties"), against any and all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses") arising in connection with Subtenant's failure to obtain or comply with the terms and conditions of any regulatory approval.

11.3. Compliance with Sublandlord's Risk Management Requirements. Subtenant shall not do anything, or permit anything to be done, in or about the Premises or to any Alterations permitted hereunder that would create any unusual fire risk, and shall take commercially

reasonable steps to protect Sublandlord from any potential premises liability. Subtenant shall faithfully observe, at its expense, any and all reasonable requirements of Sublandlord's Risk Manager with respect thereto and with the requirements of any policies of commercial general liability, all risk property or other policies of insurance at any time in force with respect to the Premises and any Alterations as required hereunder.

12. ENCUMBRANCES

12.1. Encumbrance By Subtenant. Notwithstanding anything to the contrary contained in this Sublease, Subtenant shall not under any circumstances whatsoever create any mortgage, deed of trust, assignment of rents, fixture filing, security agreement, or similar security instrument, or other lien or encumbrance or assignment or pledge of an asset as security in any manner against the Premises or Sublandlord's or Subtenant's interest under this Sublease.

13. DAMAGE OR DESTRUCTION

13.1. Damage or Destruction to the Premises. In the case of damage to or destruction of the Premises by earthquake, fire, flood or any other casualty, which (i) is not caused by Subtenant or Subtenant's Agents or Subtenant's Invitees, (ii) is not covered by the insurance described in Section 17 below, (iii) prevents Subtenant from operating the Premises for the purposes stated herein, and (iv) costs more to repair than the Repair amount set forth in the Basic Lease Information, either party may terminate this Sublease upon thirty (30) days prior written notice and upon any such termination Subtenant shall surrender the Premises in accordance with Section 19 (except for damage caused by a casualty pursuant to which this Sublease may be terminated under this Section 13.1) and both Parties shall be relieved of any liability for such termination or for repairing such damage. If neither Party terminates this Sublease as provided in this Section 13.1, then Subtenant shall, at its sole cost, promptly restore, repair, replace or rebuild the Premises to the condition the Premises were in prior to such damage or destruction, subject to any Alterations made in strict accordance with the requirements of Section 8.1 above. Under no circumstances shall Sublandlord have any obligation to repair, replace or rebuild the Premises in the event of a casualty.

13.2. No Abatement in Rent. In the event of any damage or destruction to the Premises, and if neither party terminates this Sublease as provided in Section 13.1 above, there shall be no abatement in the Rent payable hereunder.

13.3. Waiver. The Parties understand and agree that the foregoing provisions of this Section are intended to govern fully the rights and obligations of the Parties in the event of damage or destruction to the Premises or Alterations, and Sublandlord and Subtenant each hereby waives and releases any right to terminate this Sublease in whole or in part under Sections 1932.2 and 1933.4 of the Civil Code of California or under any similar Laws now or hereafter in effect, to the extent such rights are inconsistent with the provisions hereof.

14. ASSIGNMENT AND SUBLETTING

14.1. Restriction on Assignment and Subletting. Subtenant shall not directly or indirectly (including, without limitation, by merger, acquisition or other transfer of any controlling interest in Subtenant), voluntarily or by operation of Law, sell, assign, encumber, pledge, sublease or otherwise transfer any part of its interest in or rights with respect to the Premises, any Alterations or its interest in this Sublease, or permit any portion of the Premises to be occupied by anyone other than itself, or sublet any portion of the Premises (a "Transfer"), without Sublandlord's prior written consent in each instance, which Sublandlord may grant or withhold in its sole and absolute discretion. Subtenant shall provide Sublandlord with a written notice of its intention to Transfer this Sublease or the Premises, together with a copy of the proposed Transfer agreement at least thirty (30) days prior to the commencement date of the proposed Transfer. Subtenant shall provide Sublandlord with such information regarding the proposed Transfer as Sublandlord may reasonably request.

14.2. Bonus Rental. If Sublandlord consents to a Transfer of any of Subtenant's interest in or rights with respect to the Premises pursuant to Section 14.1 above, then one hundred percent (100%) of any rent or other consideration payable to Subtenant in excess of the Base Rent payable hereunder (or the proportionate share thereof applicable to the portion of the Premises that is subject to the Transfer) shall be paid to Sublandlord immediately upon receipt by Subtenant.

15. DEFAULT; REMEDIES

15.1. Events of Default. Any of the following shall constitute an event of default ("Event of Default") by Subtenant hereunder:

(a) **Failure to Pay Rent.** Any failure to pay any Rent or any other sums due hereunder, including sums due for utilities, within five (5) days after such sums are due;

(b) **Covenants, Conditions and Representations.** Any failure to perform or comply with any other covenant, condition or representation made under this Sublease; provided, Subtenant shall have a period of ten (10) days from the date of written notice from Sublandlord of such failure within which to cure such default under this Sublease, or, if such default is not capable of cure within such 10-day period, Subtenant shall have a reasonable period to complete such cure if Subtenant promptly undertakes action to cure such default within such 10-day period and thereafter diligently prosecutes the same to completion and uses its best efforts to complete such cure within sixty (60) days after the receipt of notice of default from Sublandlord;

(c) **Vacation or Abandonment.** Any abandonment of the Premises for more than fourteen (14) consecutive days;

(d) **Bankruptcy.** The appointment of a receiver to take possession of all or substantially all of the assets of Subtenant, or an assignment by Subtenant for the benefit of creditors, or any action taken or suffered by Subtenant under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted; and

(e) **Notices of Default.** The delivery to Subtenant of three (3) or more notices of default within any twelve (12) month period, irrespective of whether Subtenant actually cures such default within the specified time period, may, in the sole and absolute discretion of the Authority, be deemed an incurable breach of this Sublease allowing the Authority to immediately terminate this Sublease without further notice or demand to Subtenant.

15.2. **Remedies.** Upon the occurrence of an Event of Default by Subtenant, Sublandlord shall have the following rights and remedies in addition to all other rights and remedies available to Sublandlord at Law or in equity:

(a) **Terminate Sublease and Recover Damages.** The rights and remedies provided by California Civil Code Section 1951.2 (damages on termination for breach), including, but not limited to, the right to terminate Subtenant's right to possession of the Premises and to recover the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of rental loss for the same period that Subtenant proves could be reasonably avoided, as computed pursuant to subsection (b) of such Section 1951.2. Sublandlord's efforts to mitigate the damages caused by Subtenant's breach of this Sublease shall not waive Sublandlord's rights to recover unmitigated damages upon termination.

(b) **Appointment of Receiver.** The right to have a receiver appointed for Subtenant upon application by Sublandlord to take possession of the Premises and to apply any rental collected from the Premises and to exercise all other rights and remedies granted to Sublandlord pursuant to this Sublease.

15.3. **Sublandlord's Right to Cure Subtenant's Defaults.** If Subtenant defaults in the performance of any of its obligations under this Sublease, then Sublandlord may at any time thereafter with three (3) days prior written notice (except in the event of an emergency as determined by Sublandlord where prior notice by Sublandlord is impractical), remedy such Event of Default for Subtenant's account and at Subtenant's expense. Subtenant shall pay to Sublandlord, as Additional Charges, promptly upon demand, all sums expended by Sublandlord, or other costs, damages, expenses or liabilities incurred by Sublandlord, including, without limitation, reasonable attorneys' fees, in remedying or attempting to remedy such Event of Default. Subtenant's obligations under this Section shall survive the termination of this Sublease. Nothing herein shall imply any duty of Sublandlord to do any act that Subtenant is obligated to perform under any provision of this Sublease, and Sublandlord's cure or attempted cure of Subtenant's Event of Default shall not constitute a waiver of Subtenant's Event of Default or any rights or remedies of Sublandlord on account of such Event of Default.

16. RELEASE AND WAIVER OF CLAIMS; INDEMNIFICATION

16.1. **Release and Waiver of Claims.** Subtenant, on behalf of itself and Subtenant's Agents, covenants and agrees that the Indemnified Parties shall not be responsible for or liable to Subtenant for, and, to the fullest extent allowed by any Laws, Subtenant hereby waives all rights against the Indemnified Parties and releases them from, any and all Losses, including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any

person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the Premises due to an earthquake or subsidence, except only to the extent such Losses are caused solely by the gross negligence or willful misconduct of the Indemnified Parties. Without limiting the generality of the foregoing:

- (a) Subtenant expressly acknowledges and agrees that the Rent payable hereunder does not take into account any potential liability of the Indemnified Parties for any consequential or incidental damages including, but not limited to, lost profits arising out of disruption to Subtenant's uses hereunder. Sublandlord would not be willing to enter into this Sublease in the absence of a complete waiver of liability for consequential or incidental damages due to the acts or omissions of the Indemnified Parties, and Subtenant expressly assumes the risk with respect thereto. Accordingly, without limiting any indemnification obligations of Subtenant or other waivers contained in this Sublease and as a material part of the consideration for this Sublease, Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action for consequential and incidental damages and covenants not to sue the Indemnified Parties for such damages arising out of this Sublease or the uses authorized hereunder, including, without limitation, any interference with uses conducted by Subtenant pursuant to this Sublease regardless of the cause.
- (b) Without limiting any indemnification obligations of Subtenant or other waivers contained in this Sublease and as a material part of the consideration for this Sublease, Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action against, and covenants not to sue the Indemnified Parties under any present or future Laws, statutes, or regulations, including, but not limited to, any claim for inverse condemnation or the payment of just compensation under the law of eminent domain, or otherwise at equity, in the event that Sublandlord terminates this Sublease because of such claim for inverse condemnation or eminent domain.
- (c) As part of Subtenant's agreement to accept the Premises in its "As Is" condition as provided herein, and without limiting such agreement and any other waiver contained herein, Subtenant on behalf of itself and its successors and assigns, waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Indemnified Parties from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the physical or environmental condition of the Premises and any related improvements or any Laws or regulations applicable thereto or the suitability of the Premises for Subtenant's intended use.
- (d) Subtenant acknowledges that it will not be a displaced person at the time this Sublease is terminated, and Subtenant fully RELEASES, WAIVES AND DISCHARGES the Indemnified Parties from any and all Losses and any and all claims, demands or rights against any of the Indemnified Parties under any present and future Laws, including, without limitation, any and all claims for relocation benefits or assistance from the Indemnified Parties under federal and state relocation assistance laws.
- (e) Without limiting any other waiver contained herein, Subtenant, on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES,

WAIVES AND DISCHARGES, the Indemnified Parties from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way connected with the Indemnified Parties' decision to Sublease the Premises to Subtenant, regardless of whether or not such decision is or may be determined to be an act of gross negligence or willful misconduct of the Indemnified Parties.

(f) Subtenant covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Indemnified Parties any claim, action or proceeding based upon any claims, demands, causes of action, obligations, damages, losses, costs, expenses or liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this Section 16.1.

(g) In executing these waivers and releases, Subtenant has not relied upon any representation or statement other than as expressly set forth herein.

(h) Subtenant had made such investigation of the facts pertaining to these waivers and releases as it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Subtenant regardless of any claims of mistake.

(i) **In connection with the foregoing releases, Subtenant acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:**

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

Subtenant acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Subtenant realizes and acknowledges that it has agreed upon this Sublease in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Sublease.

16.2. Subtenant's Indemnity. Subtenant, on behalf of itself and Subtenant's Agents, shall Indemnify the Indemnified Parties from and against any and all Losses arising out of Subtenant's use of the Premises, including but not limited to, any Losses arising directly or indirectly, in whole or in part, out of: (a) any damage to or destruction of any property owned by or in the custody of Subtenant or Subtenant's Agents or Subtenant's Invitees; (b) any accident, injury to or death of a person, including, without limitation, Subtenant's Agents and Subtenant's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises; (c) any default by Subtenant in the observation or performance of any of the terms, covenants or conditions of this Sublease to be observed or performed on Subtenant's part; (d) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Subtenant, Subtenant's Agents or Subtenant's Invitees or any person or entity claiming through or under any of them, of

the Premises or any Alterations; (e) any construction or other work undertaken by Subtenant on or about the Premises; and (f) any acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitees, in, on, or about the Premises or any Alterations, except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Sublease and further except only to the extent such Losses are caused solely by the gross negligence or intentional wrongful acts and omissions of the Indemnified Parties. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Sublandlord's costs of investigating any Loss. Subtenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend Sublandlord and the other Indemnified Parties from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Subtenant by Sublandlord and continues at all times thereafter. Subtenant's obligations under this Section shall survive the expiration or sooner termination of this Sublease.

17. INSURANCE

17.1. Required Insurance Coverage. Subtenant, at its sole cost and expense, shall maintain, or cause to be maintained, through the Term of this Sublease, the following insurance:

(a) General Liability Insurance. Comprehensive or commercial general liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence combined single limit for bodily injury and property damage, including coverages for contractual liability, independent contractors, broad form property damage, personal injury, products and completed operations, fire damage and legal liability with limits not less than One Million Dollars (\$1,000,000), explosion, collapse and underground (XCU).

(b) Automobile Liability Insurance. Comprehensive or business automobile liability insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence combined single limit for bodily injury and property damage, including coverages for owned and hired vehicles and for employer's non-ownership liability, which insurance shall be required if any automobiles or any other motor vehicles are operated in connection with Subtenant's activity on the Premises or the Permitted Use.

(c) Worker's Compensation and Employer's Liability Insurance. If Subtenant has employees, Worker's Compensation Insurance in statutory amounts with Employer's Liability with limits not less than One Million Dollars (\$1,000,000.00) for each accident, injury or illness, on employees eligible for each.

(d) Personal Property Insurance. Subtenant, at its sole cost and expense, shall procure and maintain on all of its personal property and Alterations, in, on, or about the Premises, property insurance on an all risk form, excluding earthquake and flood, to the extent of full replacement value. The proceeds from any such policy shall be used by Subtenant for the replacement of Subtenant's personal property.

(e) **Other Coverage.** Such other insurance or different coverage amounts as is required by law or as is generally required by commercial owners of property similar in size, character, age and location as the Premises, as may change from time to time, or as may be required by the City's Risk Manager.

17.2. Claims-Made Policies. If any of the insurance required in Section 17.1 above is provided under a claims-made form of policy, Subtenant shall maintain such coverage continuously throughout the Term and without lapse for a period of three (3) years beyond the termination of this Sublease, to the effect that should occurrences during the Term give rise to claims made after termination of this Sublease, such claims shall be covered by such claims-made policies.

17.3. Annual Aggregate Limits. If any of the insurance required in Section 17.1 above is provided under a form of coverage which includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be double the occurrence limits specified herein.

17.4. Payment of Premiums. Subtenant shall pay the premiums for maintaining all required insurance.

17.5. Waiver of Subrogation Rights. Notwithstanding anything to the contrary contained herein, Sublandlord and Subtenant (each a "Waiving Party") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to the Facility or the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this Sublease or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Facility or the Premises; provided, the failure to obtain any such endorsement shall not affect the above waiver.

17.6. General Insurance Matters.

(a) All liability insurance policies required to be maintained by Subtenant hereunder shall contain a cross-liability clause, shall name as additional insureds the "THE TREASURE ISLAND DEVELOPMENT AUTHORITY, CITY AND COUNTY OF SAN FRANCISCO, THE UNITED STATES OF AMERICA, ACTING BY AND THROUGH THE DEPARTMENT OF THE NAVY, AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS," shall be primary to any other insurance available to the additional insureds with respect to claims arising under this Sublease, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.

(b) All insurance policies required to be maintained by Subtenant hereunder shall be issued by an insurance company or companies reasonably acceptable to Sublandlord with an AM Best rating of not less than A-VIII and authorized to do business in the State of California.

(c) All insurance policies required to be maintained by Subtenant hereunder shall provide for thirty (30) days' prior written notice of cancellation for any reason, intended non-renewal, or reduction in coverage to Subtenant and Sublandlord. Such notice shall be given in accordance with the notice provisions of Section 21.1 below.

(d) Subtenant shall deliver to Sublandlord certificates of insurance and additional insured policy endorsements in a form satisfactory to Sublandlord evidencing the coverages required herein, together with evidence of payment of premiums, on or before the Commencement Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. Subtenant shall, upon Sublandlord's request, promptly furnish Sublandlord with a complete copy of any insurance policy required hereunder.

(e) Not more often than every year and upon not less than sixty (60) days' prior written notice, Sublandlord may require Subtenant to increase the insurance limits set forth in Section 17.1 above if Sublandlord finds in its reasonable judgment that it is the general commercial practice in San Francisco to carry insurance in amounts substantially greater than those amounts carried by Subtenant with respect to risks comparable to those associated with the use of the Premises.

(f) Subtenant's compliance with the provisions of this Section shall in no way relieve or decrease Subtenant's indemnification obligations herein or any of Subtenant's other obligations or liabilities under this Sublease.

(g) Notwithstanding anything to the contrary in this Sublease, Sublandlord may elect in Sublandlord's sole and absolute discretion to terminate this Sublease upon the lapse of any required insurance coverage by written notice to Subtenant.

18. ACCESS BY SUBLANDLORD

18.1. Access to Premises by Sublandlord.

(a) **General Access.** Sublandlord reserves for itself and Sublandlord's Agents, the right to enter the Premises and any portion thereof at all reasonable times upon not less than twenty-four (24) hours oral or written notice to Subtenant (except in the event of an emergency) for any purpose.

(b) **Emergency Access.** In the event of any emergency, as determined by Sublandlord, Sublandlord may, at its sole option and without notice, enter the Premises and alter or remove any Alterations or Subtenant's Personal Property on or about the Premises. Sublandlord shall have the right to use any and all means Sublandlord considers appropriate to gain access to any portion of the Premises in an emergency. In such case, Sublandlord shall not be responsible for any damage or injury to any such property, nor for the replacement of any such property and any such emergency entry shall not be deemed to be a forcible or unlawful entry onto or a detainer of, the Premises, or an eviction, actual or constructive, of Subtenant from the Premises or any portion thereof.

(c) **No Liability.** Sublandlord shall not be liable in any manner, and Subtenant hereby waives any claims, for any inconvenience, disturbance, loss of business, nuisance or other damage arising out of Sublandlord's entry onto the Premises, except damage resulting directly and exclusively from the gross negligence or willful misconduct of Sublandlord or Sublandlord's Agents and not contributed to by the acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitees.

18.2. Access to Premises by Master Landlord. Subtenant acknowledges and agrees that Master Landlord shall have all of the rights of access to the Premises described in the Master Lease.

19. SURRENDER

19.1. Surrender of the Premises. Upon the termination of this Sublease, Subtenant shall surrender to Sublandlord the Premises in the same condition as of the Commencement Date, ordinary wear and tear excepted, and free and clear of all liens, easements and other encumbrances created or suffered by, through or under Subtenant. On or before any termination hereof, Subtenant shall, at its sole cost, remove any and all of Subtenant's Personal Property from the Premises and demolish and remove any and all Alterations from the Premises (except for any Alterations that Sublandlord agrees are to remain part of the Premises pursuant to the provisions of Section 8.3 above). In addition, Subtenant shall, at its sole expense, repair any damage to the Premises resulting from the removal of any such items and restore the Premises to their condition immediately prior to the presence of any Alterations. In connection therewith, Subtenant shall obtain any and all necessary permits and approvals, including, without limitation, any environmental permits, and execute any manifests or other documents necessary to complete the demolition, removal or restoration work required hereunder. Subtenant's obligations under this Section shall survive the termination of this Sublease. Any items of Subtenant's Personal Property remaining on or about the Premises after the termination of this Sublease may, at Sublandlord's option and after thirty (30) days written notice to Subtenant, be deemed abandoned and in such case Sublandlord may dispose of such property in accordance with Section 1980, et seq., of the California Civil Code or in any other manner allowed by Law.

19.2. No Holding Over. If Subtenant fails to surrender the Premises to Sublandlord upon the termination of this Sublease as required by this Section, Subtenant shall Indemnify Sublandlord against all Losses resulting therefrom, including, without limitation, Losses made by a succeeding Subtenant resulting from Subtenant's failure to surrender the Premises. Subtenant shall have no right to hold over without the prior written consent of Sublandlord, which consent may be withheld in Sublandlord's sole and absolute discretion. If Sublandlord holds over the Premises or any part thereof after expiration or earlier termination of this Sublease, such holding over shall be terminable upon written notice by Sublandlord, and the Base Rent shall be increased to two hundred percent (200%) of the Base Rent in effect immediately prior to such holding over, and such holdover shall otherwise be on all the other terms and conditions of this Sublease. This Section shall not be construed as Sublandlord's permission for Subtenant to hold over. Acceptance of any holdover Base Rent by Sublandlord following expiration or termination of this Sublease shall not constitute an extension or renewal of this Sublease.

19.3. Security Deposit. Subtenant shall pay to Sublandlord upon execution of this Sublease a security deposit in the amount set forth in the Basic Sublease Information as security for the faithful performance of all terms, covenants and conditions of this Sublease. Subtenant agrees that Sublandlord may (but shall not be required to) apply the security deposit in whole or in part to remedy any damage to the Premises caused by Subtenant, Subtenant's Agents or Subtenant's Invitees, or any failure of Subtenant to perform any other terms, covenants or conditions contained in this Sublease, without waiving any of Sublandlord's other rights and remedies hereunder or at Law or in equity. Should Sublandlord use any portion of the security deposit to cure any Event of Default by Subtenant hereunder, Subtenant shall immediately replenish the security deposit to the original amount, and Subtenant's failure to do so within five (5) days of Sublandlord's notice shall constitute a material Event of Default under this Sublease. Sublandlord's obligations with respect to the security deposit are solely that of debtor and not trustee. Sublandlord shall not be required to keep the security deposit separate from its general funds, and Subtenant shall not be entitled to any interest on such deposit. The amount of the security deposit shall not be deemed to limit Subtenant's liability for the performance of any of its obligations under this Sublease. To the extent that Sublandlord is not entitled to retain or apply the security deposit pursuant to this Section 20.3, Sublandlord shall return such security deposit to Subtenant within forty-five (45) days of the termination of this Sublease.

20. HAZARDOUS MATERIALS

20.1. No Hazardous Materials. Subtenant covenants and agrees that neither Subtenant nor any of Subtenant's Agents or Subtenant's Invitees shall cause or permit any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment, including, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended (42 U.S.C. Sections 9601 et seq.), or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of any existing improvements on the Premises, or are naturally occurring substances on, in or about the Premises; and petroleum, including crude oil or any fraction thereof, and natural gas or natural gas liquids ("Hazardous Material") to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises or transported to or from the Premises without the prior written approval of Sublandlord, which approval may be withheld in Sublandlord's sole and absolute discretion. Subtenant shall immediately notify Sublandlord if and when Subtenant learns or has reason to believe there has been any release of Hazardous Material in, on or about the Premises. Sublandlord may from time to time request Subtenant to provide adequate information for Sublandlord to determine that any Hazardous Material permitted hereunder is being handled in compliance with all applicable federal, state or local Laws or policies relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage) or to human health and safety, industrial hygiene or environmental conditions in, on, under or about the Premises and any other property, including, without

(c) **No Liability.** Sublandlord shall not be liable in any manner, and Subtenant hereby waives any claims, for any inconvenience, disturbance, loss of business, nuisance or other damage arising out of Sublandlord's entry onto the Premises, except damage resulting directly and exclusively from the gross negligence or willful misconduct of Sublandlord or Sublandlord's Agents and not contributed to by the acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitees.

18.2. Access to Premises by Master Landlord. Subtenant acknowledges and agrees that Master Landlord shall have all of the rights of access to the Premises described in the Master Lease.

19. SURRENDER

19.1. Surrender of the Premises. Upon the termination of this Sublease, Subtenant shall surrender to Sublandlord the Premises in the same condition as of the Commencement Date, ordinary wear and tear excepted, and free and clear of all liens, easements and other encumbrances created or suffered by, through or under Subtenant. On or before any termination hereof, Subtenant shall, at its sole cost, remove any and all of Subtenant's Personal Property from the Premises and demolish and remove any and all Alterations from the Premises (except for any Alterations that Sublandlord agrees are to remain part of the Premises pursuant to the provisions of Section 8.3 above). In addition, Subtenant shall, at its sole expense, repair any damage to the Premises resulting from the removal of any such items and restore the Premises to their condition immediately prior to the presence of any Alterations. In connection therewith, Subtenant shall obtain any and all necessary permits and approvals, including, without limitation, any environmental permits, and execute any manifests or other documents necessary to complete the demolition, removal or restoration work required hereunder. Subtenant's obligations under this Section shall survive the termination of this Sublease. Any items of Subtenant's Personal Property remaining on or about the Premises after the termination of this Sublease may, at Sublandlord's option and after thirty (30) days written notice to Subtenant, be deemed abandoned and in such case Sublandlord may dispose of such property in accordance with Section 1980, et seq., of the California Civil Code or in any other manner allowed by Law.

19.2. No Holding Over. If Subtenant fails to surrender the Premises to Sublandlord upon the termination of this Sublease as required by this Section, Subtenant shall Indemnify Sublandlord against all Losses resulting therefrom, including, without limitation, Losses made by a succeeding Subtenant resulting from Subtenant's failure to surrender the Premises. Subtenant shall have no right to hold over without the prior written consent of Sublandlord, which consent may be withheld in Sublandlord's sole and absolute discretion. If Sublandlord holds over the Premises or any part thereof after expiration or earlier termination of this Sublease, such holding over shall be terminable upon written notice by Sublandlord, and the Base Rent shall be increased to two hundred percent (200%) of the Base Rent in effect immediately prior to such holding over, and such holdover shall otherwise be on all the other terms and conditions of this Sublease. This Section shall not be construed as Sublandlord's permission for Subtenant to hold over. Acceptance of any holdover Base Rent by Sublandlord following expiration or termination of this Sublease shall not constitute an extension or renewal of this Sublease.

19.3. Security Deposit. Subtenant shall pay to Sublandlord upon execution of this Sublease a security deposit in the amount set forth in the Basic Sublease Information as security for the faithful performance of all terms, covenants and conditions of this Sublease. Subtenant agrees that Sublandlord may (but shall not be required to) apply the security deposit in whole or in part to remedy any damage to the Premises caused by Subtenant, Subtenant's Agents or Subtenant's Invitees, or any failure of Subtenant to perform any other terms, covenants or conditions contained in this Sublease, without waiving any of Sublandlord's other rights and remedies hereunder or at Law or in equity. Should Sublandlord use any portion of the security deposit to cure any Event of Default by Subtenant hereunder, Subtenant shall immediately replenish the security deposit to the original amount, and Subtenant's failure to do so within five (5) days of Sublandlord's notice shall constitute a material Event of Default under this Sublease. Sublandlord's obligations with respect to the security deposit are solely that of debtor and not trustee. Sublandlord shall not be required to keep the security deposit separate from its general funds, and Subtenant shall not be entitled to any interest on such deposit. The amount of the security deposit shall not be deemed to limit Subtenant's liability for the performance of any of its obligations under this Sublease. To the extent that Sublandlord is not entitled to retain or apply the security deposit pursuant to this Section 20.3, Sublandlord shall return such security deposit to Subtenant within forty-five (45) days of the termination of this Sublease.

20. HAZARDOUS MATERIALS

20.1. No Hazardous Materials. Subtenant covenants and agrees that neither Subtenant nor any of Subtenant's Agents or Subtenant's Invitees shall cause or permit any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment, including, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended (42 U.S.C. Sections 9601 et seq.), or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of any existing improvements on the Premises, or are naturally occurring substances on, in or about the Premises; and petroleum, including crude oil or any fraction thereof, and natural gas or natural gas liquids ("Hazardous Material") to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises or transported to or from the Premises without the prior written approval of Sublandlord, which approval may be withheld in Sublandlord's sole and absolute discretion. Subtenant shall immediately notify Sublandlord if and when Subtenant learns or has reason to believe there has been any release of Hazardous Material in, on or about the Premises. Sublandlord may from time to time request Subtenant to provide adequate information for Sublandlord to determine that any Hazardous Material permitted hereunder is being handled in compliance with all applicable federal, state or local Laws or policies relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage) or to human health and safety, industrial hygiene or environmental conditions in, on, under or about the Premises and any other property, including, without

limitation, soil, air and groundwater conditions ("Environmental Laws"), and Subtenant shall promptly provide all such information. Sublandlord and Sublandlord's Agents shall have the right to inspect the Premises for Hazardous Material and compliance with the provisions hereof at all reasonable times upon reasonable advance oral or written notice to Subtenant (except in the event of an emergency). Subtenant agrees that it shall comply, without limiting the foregoing, with the provisions of Article 21 of the San Francisco Health Code including, without limitation, regarding obtaining and complying with the requirements of an approved hazardous materials management plan, and with the requirements of the environmental protection provisions provided for in Section 13 of the Master Lease.

20.2. Subtenant's Environmental Indemnity. If Subtenant breaches any of its obligations contained in Section 20.1 above, or, if any act or omission or negligence of Subtenant or any of Subtenant's Agents or Subtenant's Invitees results in any spilling, leaking, pumping, pouring, emitting, discharging, injecting, escaping, leeching or dumping ("Release") of Hazardous Material in, on, under or about the Premises or the Property, without limiting Subtenant's general Indemnity contained in Section 16.2 above, Subtenant, on behalf of itself and Subtenant's Agents, shall Indemnify the Indemnified Parties, and each of them, from and against any and all enforcement, investigation, remediation or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental Laws together with any and all Losses made or threatened by any third party against Sublandlord, Sublandlord's Agents, or the Premises, relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence, Release or discharge of any Hazardous Materials, including, without limitation, Losses based in common law, investigation and remediation costs, fines, natural resource damages, damages for decrease in value of the Premises, the loss or restriction of the use or any amenity of the Premises and attorneys' fees and consultants' fees and experts' fees and costs ("Hazardous Materials Claims") arising during or after the Term of this Sublease and relating to such Release. The foregoing Indemnity includes, without limitation, all costs associated with the investigation and remediation of Hazardous Material and with the restoration of the Premises or the Property to its prior condition including, without limitation, fines and penalties imposed by regulatory agencies, natural resource damages and losses, and revegetation of the Premises or other Sublandlord property. Without limiting the foregoing, if Subtenant or any of Subtenant's Agents or Subtenant's Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Premises or the Property, Subtenant shall, immediately, at no expense to Sublandlord, take any and all appropriate actions to return the Premises or other Sublandlord property affected thereby to the condition existing prior to such Release and otherwise investigate and remediate the Release in accordance with all Environmental Laws. Subtenant shall provide Sublandlord with written notice of and afford Sublandlord a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, permit, approvals, or other compromise or proceeding involving Hazardous Material.

20.3. Acknowledgment of Receipt of EBS and FOSL Reports. Subtenant hereby acknowledges for itself and Subtenant's Agents that, prior to the execution of this Sublease, it has received and reviewed the Environmental Baseline Survey ("EBS") and the Finding of Suitability to Lease ("FOSL") described in Section 7 of the Master Lease. California law requires landlords to disclose to tenants the presence or potential presence of certain Hazardous

Materials. Accordingly, Subtenant is hereby advised that occupation of the Premises may lead to exposure to Hazardous Materials such as, but not limited to, gasoline, diesel and other vehicle fluids, vehicle exhaust, office maintenance fluids, tobacco smoke, methane and building materials containing chemicals, such as formaldehyde. Further, there are Hazardous Materials located on the Premises as described in the EBS and the FOSL. In addition, California's Proposition 65, Health and Safety Code Section 25249.6 et seq., requires notice that some of these Hazardous Materials are known by the State of California to cause cancer or reproductive harm. By execution of this Sublease, Subtenant acknowledges that the notices and warnings set forth above satisfy the requirements of California Health and Safety Code Sections 25249.6 et seq., 25359.7 and related statutes.

21. GENERAL PROVISIONS

21.1. Notices. Except as otherwise expressly provided in this Sublease, any notice given hereunder shall be effective only in writing and given by delivering the notice in person, or by sending it first class mail or certified mail with a return receipt requested or reliable commercial overnight courier, return receipt requested, with postage prepaid, to the appropriate addresses set forth in the Basic Sublease Information. Any Party hereunder may designate a new address for notice purposes hereunder at least ten (10) days prior to the effective date of such change. Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first class or certified mail, one day after the date it is made, if sent by commercial overnight carrier, or upon the date personal delivery is made, and any refusal by either Party to accept the attempted delivery of any notice, if such attempted delivery is in compliance with this Section 21.1 and applicable Laws, shall be deemed receipt of such notice.

21.2. No Implied Waiver. No failure by Sublandlord to insist upon the strict performance of any obligation of Subtenant under this Sublease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, no acceptance of full or partial payment of Rent due hereunder during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of Sublandlord, shall constitute a waiver of such breach or of Sublandlord's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this Sublease. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. The consent of Sublandlord given in any instance under the terms of this Sublease shall not relieve Subtenant of any obligation to secure the consent of Sublandlord in any other or future instance under the terms of this Sublease.

21.3. Amendments. Neither this Sublease nor any term or provision hereof may be changed, waived, discharged or terminated, except by a written instrument signed by the Parties hereto.

21.4. Authority. If Subtenant signs as a corporation, a partnership or a limited liability company, each of the persons executing this Sublease on behalf of Subtenant does hereby

covenant and warrant that Subtenant is a duly authorized and existing entity, that Subtenant has and is qualified to do business in California, that Subtenant has full right and authority to enter into this Sublease, and that each and all of the persons signing on behalf of Subtenant are authorized to do so. Upon Sublandlord's request, Subtenant shall provide Sublandlord with evidence reasonably satisfactory to Sublandlord confirming the foregoing representations and warranties. Without limiting the generality of the foregoing, Subtenant represents and warrants that it has full power to make the waivers and releases, indemnities and the disclosures set forth herein, and that it has received independent legal advice from its attorney as to the advisability of entering into a sublease containing those provisions and their legal effect.

21.5. Joint and Several Obligations. The word "Subtenant" as used herein shall include the plural as well as the singular. If there is more than one Subtenant, the obligations and liabilities under this Sublease imposed on Subtenant shall be joint and several.

21.6. Interpretation of Sublease. The captions preceding the articles and sections of this Sublease and in the table of contents have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Sublease. This Sublease has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the party responsible for drafting any part of this Sublease. Provisions in this Sublease relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or Sublandlord holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words shall not be construed to limit any general term, statement or other matter in this Sublease, whether or not language of non-limitation, such as "without limitation" or similar words, are used. Unless otherwise provided herein, whenever the consent of Sublandlord is required to be obtained by Subtenant hereunder, Sublandlord may give or withhold such consent in its sole and absolute discretion.

21.7. Successors and Assigns. Subject to the provisions of Section 14, the terms, covenants and conditions contained in this Sublease shall bind and inure to the benefit of Sublandlord and Subtenant and, except as otherwise provided herein, their personal representatives and successors and assigns; provided, however, that upon any transfer by Sublandlord (or by any subsequent Sublandlord) of its interest in the Premises as lessee, including any transfer by operation of Law, Sublandlord (or any subsequent Sublandlord) shall be relieved from all subsequent obligations and liabilities arising under this Sublease subsequent to such transfer.

21.8. Brokers. Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the Sublease contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes a claim shall be responsible for such commission or fee and shall Indemnify the other party from any and all Losses incurred by the indemnified party

in defending against the same. The provisions of this Section shall survive any termination of this Sublease.

21.9. Severability. If any provision of this Sublease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Sublease shall be valid and be enforceable to the fullest extent permitted by Law.

21.10. Governing Law. This Sublease shall be construed and enforced in accordance with the Laws of the State of California and the federal government.

21.11. Entire Agreement. This instrument (including the exhibits hereto, which are made a part of this Sublease) contains the entire agreement between the Parties and supersedes all prior written or oral negotiations, discussions, understandings and agreements. The Parties further intend that this Sublease shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts of this Sublease and any changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Sublease. Subtenant hereby acknowledges that neither Sublandlord nor Sublandlord's Agents have made any representations or warranties with respect to the Premises or this Sublease except as expressly set forth herein, and no rights, easements or licenses are or shall be acquired by Subtenant by implication or otherwise unless expressly set forth herein.

21.12. Attorneys' Fees. In the event that either Sublandlord or Subtenant fails to perform any of its obligations under this Sublease or in the event a dispute arises concerning the meaning or interpretation of any provision of this Sublease, the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder (whether or not such action is prosecuted to judgment), including, without limitation, court costs and reasonable attorneys' fees. For purposes of this Sublease, reasonable fees of attorneys in the Office of the San Francisco City Attorney (Sublandlord's General Counsel) shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City and County of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. Further, for purposes of this Sublease, the term "attorneys' fees" shall mean the fees and expenses of counsel to the Parties, which may include printing, duplicating and other expenses, air freight charges, hiring of experts, and fees billed for law clerks, paralegals, librarians and others not admitted to the bar but performing services under the supervision of an attorney. The term "attorneys' fees" shall also include, without limitation, all such fees and expenses incurred with respect to appeals, mediations, arbitrations, and bankruptcy proceedings, and whether or not any action is brought with respect to the matter for which such fees and costs were incurred. The term "attorney" shall have the same meaning as the term "counsel".

21.13. Time of Essence. Time is of the essence with respect to all provisions of this Sublease in which a definite time for performance is specified.

21.14. Cumulative Remedies. All rights and remedies of either party hereto set forth in this Sublease shall be cumulative, except as may otherwise be provided herein.

21.15. Survival of Indemnities. Termination of this Sublease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Sublease, nor shall it affect any provision of this Sublease that expressly states it shall survive termination hereof. Subtenant specifically acknowledges and agrees that, with respect to each of the indemnities contained in this Sublease, Subtenant has an immediate and independent obligation to defend Sublandlord and the other Indemnified Parties from any claim which actually or potentially falls within the indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Subtenant by Sublandlord and continues at all times thereafter.

21.16. Relationship of Parties. Sublandlord is not, and none of the provisions in this Sublease shall be deemed to render Sublandlord, a partner in Subtenant's business, or joint venturer or member in any joint enterprise with Subtenant. This Sublease is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided. The granting of this Sublease by Sublandlord does not constitute authorization or approval by Sublandlord of any activity conducted by Subtenant on, in or relating to the Premises.

21.17. Recording. Subtenant agrees that it shall not record this Sublease nor any memorandum or short form hereof in the official records of any county.

21.18. Non-Liability of Indemnified Parties' Officials, Employees and Agents. No elective or appointive board, commission, member, officer or employee of any of the Indemnified Parties shall be personally liable to Subtenant, its successors and assigns, in the event of any default or breach by Sublandlord or for any amount which may become due to Subtenant, its successors and assigns, or for any obligation of Sublandlord under this Sublease.

21.19. No Discrimination. Subtenant shall comply with the non-discrimination provisions of Section 19.1 of the Master Lease, including, without limitation, posting all notices required therein.

21.20. Counterparts. This Sublease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

21.21. Master Landlord's Consent. This Sublease is expressly conditioned upon receipt of the written consent of Master Landlord.

22. SPECIAL PROVISIONS

22.1. Signs. Subtenant agrees that it will not erect or maintain, or permit to be erected or maintained, any signs, notices or graphics upon or about the Premises which are visible in or from public corridors or other portions of any common areas of the Premises or from the exterior of the Premises, without Sublandlord's prior written consent, which Sublandlord may withhold or grant in its sole discretion.

22.2. Public Transit Information. Subtenant shall establish and carry on during the Term a program to encourage maximum use of public transportation by personnel of Subtenant employed on the Premises, including, without limitation, the distribution to such employees of written materials explaining the convenience and availability of public transportation facilities adjacent or proximate to the Premises and encouraging use of such facilities, all at Subtenant's sole expense.

22.3. TIHDI Job Broker. Subtenant shall comply with the requirements of the TIHDI Work Force Hiring Plan attached hereto as Exhibit F.

22.4. Local Hiring. Subtenant further agrees to use good faith efforts to hire residents of the City and County of San Francisco at all levels of Subtenant's personnel needs and to contract with local businesses for Subtenant's purchase of supplies, materials, equipment or services.

22.5. Non-Discrimination in City Contracts and Benefits Ordinance.

(a) **Covenant Not to Discriminate.** In the performance of this Sublease, Subtenant covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with, Subtenant in any of Subtenant's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Subtenant.

(b) **Sub-Subleases and Other Subcontracts.** Subtenant shall include in all sub-subleases and other subcontracts relating to the Premises a non-discrimination clause applicable to such sub-subtenant or other subcontractor in substantially the form of subsection (a) above. In addition, Subtenant shall incorporate by reference in all sub-subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all sub-subtenants and other subcontractors to comply with such provisions. Subtenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Sublease.

(c) **Non-Discrimination in Benefits.** Subtenant does not as of the date of this Sublease and will not during the Term, in any of its operations or in San Francisco or with respect to its operations under this Sublease elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any

benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) **HRC Form.** As a condition to this Sublease, Subtenant shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission (the "HRC"). Subtenant hereby represents that prior to execution of this Sublease, (i) Subtenant executed and submitted to the HRC Form HRC-12B-101 with supporting documentation; and (ii) the HRC approved such form.

(e) **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Subtenant shall comply fully with and be bound by all of the provisions that apply to this Sublease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Subtenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of Fifty Dollars (\$50.00) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Sublease may be assessed against Subtenant and/or deducted from any payments due Subtenant.

22.6. MacBride Principles - Northern Ireland. The City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Subtenant acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

22.7. Tropical Hardwood and Virgin Redwood Ban. The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product. Except as expressly permitted by the application of Section 802(b) and 803(b) of the San Francisco Environment Code, Subtenant shall not provide any items to the construction of tenant improvements or Alterations in the Premises, or otherwise in the performance of this Sublease, which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Subtenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environment Code, Subtenant shall be liable for liquidated damages for each violation in an amount equal to Subtenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

22.8. Conflicts of Interest. Subtenant states that it is familiar with the provisions of Section 8.105 and 8.106 of the San Francisco Charter and certifies that it knows of no facts which would constitute a violation of such provisions. Subtenant further certifies that it has made a complete disclosure to the Sublandlord of all facts bearing on any possible interests, direct or indirect, which Subtenant believes any officer or employee of the Sublandlord presently has or will have in this Sublease or in the performance thereof or in any portion of the profits thereof. Willful failure by Subtenant to make such disclosure, if any, shall constitute grounds for the Sublandlord's termination and cancellation of this Sublease.

22.9. Wages and Working Conditions. Subtenant agrees that any person performing labor in the construction of any tenant improvements and any Alterations to the Premises, which Subtenant provides under this Sublease, shall be paid not less than the highest prevailing rate of wages as required by Section 6.22(E) of the San Francisco Administrative Code, shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco, California. Subtenant shall include, in any contract for construction of such tenant improvements and Alterations, a requirement that all persons performing labor under such contract shall be paid not less than the highest prevailing rate of wages for the labor so performed. Subtenant shall require any contractor to provide, and shall deliver to Sublandlord upon request, certified payroll reports with respect to all persons performing labor in the construction of such tenant improvement work or any Alterations to the Premises.

22.10. Prohibition of Tobacco Advertising. Subtenant acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of Sublandlord or the City, including the Premises and the Property. This prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

22.11. Pesticide Prohibition. Subtenant shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "Pesticide Ordinance") which (i) prohibit the use of certain pesticides on City property, (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage and (iii) require Subtenant to submit to Sublandlord an integrated pest management ("IPM") plan that (a) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Subtenant may need to apply to the Premises during the terms of this Sublease, (b) describes the steps Subtenant will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance and (c) identifies, by name, title, address and telephone number, an individual to act as Subtenant's primary IPM contact person with the City. In addition, Subtenant shall comply with the requirements of Sections 303(a) and 303(b) of the Pesticide Ordinance.

22.12. First Source Hiring Ordinance. The City has adopted a First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264 98) which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged

individuals for entry level positions. Within thirty (30) days after Sublandlord adopts a First Source Hiring Implementation and Monitoring Plan in accordance with the First Source Hiring Ordinance, Subtenant shall enter into a First Source Hiring Agreement that meets the applicable requirements of Section 83.9 of the First Source Hiring Ordinance.

22.13. Sunshine Ordinance. In accordance with Section 67.24(e) of the San Francisco Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Proposals, and all other records of communications between City departments and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until and unless that person or organization is awarded the contract, lease, agreement or benefit. Information provided which is covered by this Section will be made available to the public upon request.

22.14. Conflicts of Interest. Through its execution of this Sublease, Subtenant acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provisions, and agrees that if Subtenant becomes aware of any such fact during the Term of this Sublease, Subtenant shall immediately notify Sublandlord.

22.15. Charter Provision. This Sublease is governed by and subject to the provisions of the Charter of the City and County of San Francisco.

22.16. Requiring Health Benefits for Covered Employees. Unless exempt, Subtenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Sublease as though fully set forth. The text of the HCAO is available on the web at www.dph.sf.ca.us/HCRes/Resolutions/2004Res/HCRes102004.shtml. Capitalized terms used in this Section and not defined in this Sublease shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Subtenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Subtenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if Subtenant is a small business as defined in Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with Subsection (a) above.

(c) Subtenant's failure to comply with the HCAO shall constitute a material breach of this Sublease. Sublandlord shall notify Subtenant if such a breach has occurred. If, within thirty (30) days after receiving City's written notice of a breach of this Sublease for violating the HCAO,

Subtenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Subtenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, Sublandlord shall have the right to pursue the remedies set forth in Section 12Q.5(f)(1-5). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to Sublandlord.

(d) Any Subcontract entered into by Subtenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Subtenant shall notify City's Purchasing Department when it enters into such a Subcontract and shall certify to the Purchasing Department that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Subtenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the Sublandlord may pursue the remedies set forth in this Section against Subtenant based on the Subcontractor's failure to comply, provided that Sublandlord has first provided Subtenant with notice and an opportunity to obtain a cure of the violation.

(e) Subtenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying Sublandlord with regard to Subtenant's compliance or anticipated compliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Subtenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Subtenant shall keep itself informed of the current requirements of the HCAO.

(h) Subtenant shall provide reports to Sublandlord in accordance with any reporting standards promulgated by Sublandlord under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(i) Subtenant shall provide Sublandlord with access to records pertaining to compliance with the HCAO after receiving a written request from Sublandlord to do so and being provided at least five (5) business days to respond.

(j) Sublandlord may conduct random audits of Subtenant to ascertain its compliance with HCAO. Subtenant agrees to cooperate with Sublandlord when it conducts such audits.

(k) If Subtenant is exempt from the HCAO when this Sublease is executed because its amount is less than Twenty-Five Thousand Dollars (\$25,000) (or [Fifty Thousand Dollars (\$50,000)] if Subtenant is a qualified nonprofit), but Subtenant later enters into an agreement or agreements that cause Subtenant's aggregate amount of all agreements with Sublandlord to reach Seventy-Five Thousand Dollars (\$75,000), all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative

amount of agreements between Subtenant and the Contracting Department to be equal to or greater than Seventy-Five Thousand Dollars (\$75,000) in the fiscal year.

22.17. Notification of Limitations on Contributions. Through its execution of this Sublease, Subtenant acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City or a state agency on whose board an appointee of a City elective officer serves, for the selling or leasing of any land or building to or from the City or a state agency on whose board an appointee of a City elective officer serves, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six (6) months after the date the contract is approved. Subtenant acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Subtenant further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Subtenant's board of directors; Subtenant's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Subtenant; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Subtenant. Additionally, Subtenant acknowledges that Subtenant must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

22.18. Preservation-Treated Wood Containing Arsenic. As of July 1, 2003, Subtenant may not purchase preservative-treated wood products containing arsenic in the performance of this Sublease unless an exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Subtenant may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Subtenant from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

22.19. Resource Efficient City Buildings and Pilot Projects. Subtenant acknowledges that the City and County of San Francisco has enacted San Francisco Environment Code Sections 700 to 707 relating to resource-efficient City buildings and resource-efficient pilot projects. Subtenant hereby agrees that it shall comply with all applicable provisions of such code sections.

22.20. Food Service Waste Reduction. Subtenant agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in the San

Francisco Environment Code, Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Sublease as though fully set forth. This provision is a material term of this Sublease. By entering into this Sublease, Subtenant agrees that if it breaches this provision, Sublandlord will suffer actual damages that will be impractical or extremely difficult to determine; further, Subtenant agrees that the sum of One Hundred Dollars (\$100.00) liquidated damages for the first breach, Two Hundred Dollars (\$200.00) liquidated damages for the second breach in the same year, and Five Hundred Dollars (\$500.00) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that Sublandlord will incur based on the violation, established in light of the circumstances existing at the time this Sublease was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by Sublandlord because of Subtenant's failure to comply with this provision.

22.21. Estoppel Certificates. At any time and from time to time, within ten (10) days after Sublandlord's request, Subtenant will execute, acknowledge and deliver to Sublandlord a statement certifying the following matters: (a) the Commencement Date and Expiration Date of this Sublease; (b) that this Sublease is unmodified and in full force and effect (or if there have been modifications, that this Sublease is in full force and effect as modified and the date and nature of such modifications); (c) the dates to which the Rent has been paid; (d) that there are no Events of Default under this Sublease (or if there are any Events of Default, the nature of such Event of Default); and (e) any other matters reasonably requested by Sublandlord. Sublandlord and Subtenant intend that any such statement delivered pursuant to this paragraph may be relied upon by any assignee of Sublandlord's interest in the Master Lease or this Sublease, any mortgagee or any purchaser or prospective purchaser of the building or land on which the Premises are located. Subtenant irrevocably appoints Sublandlord, as Subtenant's agent, to execute and deliver in the name of Sublandlord any such instrument if Subtenant fails to do so, which failure shall also be an Event of Default under this Sublease.

22.22. Addendum. The terms of the Addendum, if any, attached to this Sublease are incorporated into the Sublease by reference. In the event of any inconsistency between the Sublease and the Addendum, the terms of the Addendum shall control.

Sublandlord and Subtenant have executed this Sublease in triplicate as of the date first written above.

SUBTENANT:

SAN FRANCISCO STATE UNIVERSITY

By: _____

Its: _____

SUBLANDLORD:

Treasure Island Development Authority

By: _____

Mirian Saez
Director of Island Operations

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney

Sublease Prepared By: Richard A. Rovetti, Deputy Director of Real Estate _____
(initial)

EXHIBIT A
MASTER LEASE

EXHIBIT B
DIAGRAM OF PREMISES

EXHIBIT C

COVER PAGE OF THE SEISMIC REPORT

EXHIBIT D

RULES AND REGULATIONS

1. All rules and regulations set out in the Master Lease shall prevail.
2. No signs, advertisements, or notices shall be attached to, or placed on, the exterior or interior of the Building or elsewhere on the Property, without prior written approval of Sublandlord.
3. Subtenant's contractors and invitees, while on the Premises or Subtenant's parking area, shall be subject to these Rules and Regulations, and will be subject to direction from Sublandlord and its agents, but will not be an agent or contractor of the Sublandlord or its agents. Subtenant's contractors shall be licensed by the State, insured and bonded at the amount requested by the Sublandlord.
4. Subtenant shall install and maintain at Subtenant's expense, any life safety equipment required by governmental rules, regulations or laws to be kept on the Premises.

EXHIBIT E

STANDARD UTILITIES AND SERVICES AND RATES

Utilities Rate Schedule

Utility Service	Rate	Unit
Electric Rate	\$ 0.14	per kwh
Water Rate	\$ 5.40	per kgal
Sewer Rate	\$ 5.75	per kgal
Gas Rate	\$ 0.60	per therm

Rates are subject to adjustment.

Subtenant shall install utility Submeters to the satisfaction of Sublandlord.

Subtenant shall arrange for delivery of utility services to the premises by making a "Request for Utilities Services" by contacting:

San Francisco Public Utilities Commission
c/o Treasure Island Development Authority
410 Avenue of the Palms
Treasure Island
San Francisco, CA. 94130
Attn: Mr. Vic Zorzinsky
(415) 274-0333

EXHIBIT F

TIHDI WORKFORCE HIRING AGREEMENT

EXHIBIT G

**MEMORANDUM OF AGREEMENT
BETWEEN
TREASURE ISLAND DEVELOPMENT AUTHORITY,
SAN FRANCISCO STATE UNIVERSITY,
TREASURE ISLAND HOMELESS DEVELOPMENT INITIATIVE, AND
DEPARTMENT OF CHILDREN YOUTH AND THEIR FAMILIES**

ADDENDUM TO SUBLEASE

This Addendum to Sublease is dated as of September 16, 2009, between the Treasure Island Development Authority ("Sublandlord"), and San Francisco State University ("Subtenant"), relating to certain premises described in the Sublease.

This Addendum supersedes and replaces the terms of the Sublease to which it is attached to the extent of any inconsistency between the Sublease and this Addendum. All capitalized terms used in this Addendum and not defined herein shall have the meanings set forth in the Sublease.

Sublandlord and Subtenant agree as follows:

1. **Section 7.1(a).** A new Section 7.1(a) is hereby added to the Sublease, which states in its entirety as follows:

Section 7.1(a). Childcare Services. As a material condition to this Sublease, Subtenant shall use the Premises for the provision of childcare services for infant, toddler, and pre-school age children, all as described in that Memorandum of Agreement dated September 15, 2009 (the "MOA") between the Treasure Island Development Authority, San Francisco State University, Treasure Island Homeless Development Initiative, and the Department of Children Youth and their Families attached hereto and made a part hereof as Exhibit G. The MOA shall remain in effect for the term of this Sublease. If the MOA is terminated for any reason, Sublandlord shall have the right to terminate this Sublease by giving fourteen (14) days written notice of termination to Subtenant. Subtenant shall offer such childcare services to the residents and employees of Treasure Island and Yerba Buena Island as well as to residents of the greater City and County of San Francisco, with preference given to Treasure Island and Yerba Buena Island residents and employees. No other uses of the Premises are permitted without the prior written approval of the Director of Island Operations.

2. **Amendment of Section 9.1.** Sublease Section 9.1 (Subtenant Responsible for Maintenance and Repair) is hereby deleted in its entirety and replaced with a new Section 9.1, which states in its entirety as follows:

"9.1 Maintenance and Repair. Subtenant assumes responsibility for the operation and management of the Premises from and after the Commencement Date and shall keep the Premises in good condition. Sublandlord shall be responsible for the performance of any routine, non-structural repairs to the interior of the Premises arising after the Commencement Date which may be necessary to maintain the Premises in good working order and repair. Neither Sublandlord nor Subtenant shall be required to make structural repairs to the Premises or non-structural repairs costing in excess of \$100,000.00. Notwithstanding anything in this Section 9.1 to the contrary, if any portion of the Premises is damaged by any activities conducted by Subtenant or Subtenant's Agents or Subtenant's Invitees hereunder, Subtenant shall immediately, at its sole cost, repair all such damage and restore the Premises to its previous condition.

3. **Amendment of Section 9.3.** Sublease Section 9.3 (Landscaping) is hereby deleted in its entirety and replaced with a new Section 9.3, which states in its entirety as follows:

"9.3 Landscaping. Sublandlord shall maintain the exterior landscaping of the Premises in good condition and repair."

4. **Amendment of Section 16.2.** Sublease Section 16.2 (Subtenant's Indemnity) is hereby deleted in its entirety and replaced with a new Section 16.2, which states in its entirety as follows:

"17.2 Mutual Indemnification.

(a) **Subtenant's Indemnity.** Subtenant agrees to defend, indemnify and hold harmless the City and County of San Francisco and Sublandlord, their officers, employees and agents, from all Losses brought for or on account of injuries to or death of any person or damage to property of every type or nature by whomever asserted, arising out of Subtenant's use of the Premises and acts or omissions of Subtenant in the performance of rights and obligations under this Sublease but only in proportion to, and to the extent such claims arise from, the negligent or intentional acts or omissions of Subtenant, except those arising by reason of the negligence of the City and County of San Francisco and/or the Sublandlord, their officers, employees and agents.

(b) **Sublandlord's Indemnity.** Sublandlord agrees to defend, indemnify and hold harmless Subtenant, its officers, employees and agents, from all Losses brought for or on account of injuries to or death of any person or damage to property of every type or nature by whomever asserted, arising out of acts or omissions of Sublandlord in the performance of its rights and obligations under this Sublease but only in proportion to, and to the extent such claims arise from, the negligent or intentional acts or omissions of Sublandlord, except those arising by reason of the negligence of Subtenant, its officers, employees and agents.

(c) **Defense Costs.** Each party to this Sublease shall be responsible for its own defense and defense costs of all claims and liabilities of any type which arise out of the sole acts or omissions

of the respective party. In the event of concurrent negligence of the City and/or Sublandlord, their officers, employees and agents, and Subtenant, its officers, employees and agents, each party shall be responsible for its own defense and defense costs, and the liability for any and all claims for injuries or damages to persons or property shall be apportioned according to law."

4. **New Section 17.7** A new Section 17.7 is hereby added to the Sublease, which states in its entirety as follows

17.7 Self-Insurance. Subtenant may provide the insurance coverage required under this Sublease by a program of "self-insurance", provided that (i) the self-insurance program, in the reasonable judgment of City's Risk Manager, provides adequate, enforceable, sufficiently funded and long-term coverage for Sublandlord and the risks to be insured against, and (ii) such program of self-insurance shall provide Sublandlord with the same rights and privileges to which Sublandlord is otherwise entitled under the terms of this Sublease when there is a third-party insurer. Subtenant shall provide to City's Risk Manager all documents that Sublandlord or City's Risk Manager requests that are necessary to permit a complete review and analysis of the self-insurance program. If, as a supplement to Subtenant's self-insurance program, Subtenant obtains an insurance policy or policies from an insurance company, the provisions of this Sublease shall apply in full to such insurance policy or policies and if Subtenant ceases to self-insure, Subtenant shall give notice thereof to Sublandlord and shall immediately comply with the provisions of this Section 17 relating to the policy of insurance required. This right to self insure is personal to Subtenant and shall not inure to the benefit of any other successor, assign or subtenant of Subtenant.

Sublandlord and Subtenant have executed this Addendum to Sublease in triplicate as of the date first written above.

SUBTENANT:

SAN FRANCISCO STATE UNIVERSITY

By: _____

Its: _____

SUBLANDLORD:

**TREASURE ISLAND DEVELOPMENT
AUTHORITY**

By: _____

Mirian Saez
Director of Island Operations

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney



AGENDA ITEM 9
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 9, 2009

Subject: Resolution Authorizing a Contract with Independent Construction Co. for the Delivery, Temporary Stockpiling and Purchase of Clean Soil Material in an Amount Not-to-Exceed \$980,000 (Action Item)

Contact: Jack Sylvan, Economic and Workforce Development

DISCUSSION

Independent Construction Co. (ICC) is a California construction company that does grading and paving for large development and construction projects. ICC is a member of a team submitting bids on the contract to construct the fourth bore of the Caldecott Tunnel on Highway 24. As part of the tunnel creation, large quantities of excavated soil will be generated. Such soil is extremely valuable, and often in short supply, for development and infrastructure projects. The primary cost of soil removal is transportation; shorter distance equals shorter cost. Ideally, soil generation projects can identify sites that require the soil immediately for the construction project. However, in the current real estate development market, there is not a demand for the soil. Consequently, identifying the nearest location to temporarily stockpile the soil enables ICC to reduce its costs in delivering its portion of the tunnel construction contract. Caltrans expects to open the bids in mid to late September 2009.

ICC has proposed, if it is on the team selected for the contract, to transport and temporarily stockpile clean soil at Treasure Island and for TIDA to purchase the soil material. This is the closest location that ICC has identified, enabling them to reduce transportation costs and also make clean soil available for development and infrastructure projects in San Francisco at an extremely competitive rate. Based on currently available land on Treasure Island, it is estimated that approximately 280,000 cubic yards of clean soil could be temporarily stockpiled on the island, located on approximately 8 acres. The delivery and temporary stockpiling of clean fill is anticipated to occur in three to four phases over an eighteen to twenty-four month period starting in late 2009, with initiation of the Caldecott Tunnel project. Potential locations are identified on Figure 1. The areas will be made available consistent with the timing of the delivery of the soils.

TIDA and ICC have negotiated a Term Sheet related to the purchase and storage of the clean soils on Treasure Island. A copy of the Term Sheet is attached hereto as Exhibit A. The following are certain key terms of the Term Sheet:

Purchase Price and Terms. The stockpiled soil would be available for use by TIDA or other public or private entities for use in development or infrastructure projects in San Francisco.

While clean soil for development and infrastructure projects typically costs in the range of \$20-25 per cubic yard, because of the proximate location of Treasure Island to the Caldecott Tunnel project, transportation costs are significantly reduced and, consequently, TIDA will pay only \$3.50 per cubic yard for the stockpiled soil brought to Treasure Island by ICC. The total not-to-exceed amount of the contract would be for 280,000 cubic yards at \$3.50 per cubic yard, or \$980,000.

TIDA will not be required to pay the purchase price of the soil until TIDA or other third parties purchasing the soil from TIDA begin to remove soil from the temporary stockpile location. At that time, TIDA will pay the purchase price on a quarterly basis based on the amount of soil removed. For any soil remaining in the temporary stockpile location as of December 31, 2015, TIDA would be required to pay ICC the purchase price no later than in three equal annual installments.

Soil Testing and Storage Maintenance. ICC will establish and implement a sampling and analysis plan for the excavated materials in accordance with the testing requirements of the US Navy, who is the property owner, and all applicable federal, state, and local laws and regulations to ensure that all import fill is below the acceptable limits for the following chemicals of concern: TPH Gasoline (per EPA method 8015), TPH Diesel/Motor Oil (per EPA method 8015M), Pesticides (per EPA method 8081), PCBs (per EPA method 8082), Semi Volatile Organics (per EPA method 8270C), Volatile Organics (per EPA method 8260B), California Title 22 Metals (CAM 17) (per EPA method 6010B/7400), and Asbestos (per Polarized Light Microscopy, PLM). Additionally, all import fill will be tested to ensure that it is free of burnt or demolition debris, staining, discoloration or odor, including but not limited to, broken glass, metal, wood, brick, concrete, refuse and other discarded material.

Upon delivery and placement of clean fill at the identified locations, ICC will be responsible for ensuring that all materials are protected via fencing to restrict access, and appropriately contained and controlled from creating dust, polluting stormwater and infiltrating into groundwater. Stockpiles will be approximately 30 feet in height with maximum slopes of 2:1, placed on plastic or existing pavement, and protected against adverse effects from rainfall (runoff) and/or wind (dust). The exact method(s) of covering will be determined based on the anticipated time that the stockpiles will be in place, weather conditions, and other practical factors such as the size of the stockpiles. The stockpiles will be inspected periodically to ensure the covering and fencing are intact, and any damages are repaired or replaced immediately.

Environmental review under the California Environmental Quality Act (CEQA) has been performed and is available for review by the TIDA Board and members of the public.

RECOMMENDATION

Staff recommends that the TIDA Board authorize the Treasure Island Redevelopment Project Director to execute a contract, for the delivery, stockpiling and purchase of clean soil, under the terms outlined in the Term Sheet and in a form approved by the City Attorney's Office and the Treasure Island Redevelopment Project Director.

EXHIBITS

- A Term Sheet with ICC
- B Map Identifying Potential Storage Locations

[Contract for Temporary Stockpiling and Purchase of Clean Soil on Treasure Island]
**Resolution Authorizing a Contract with Independent Construction Co. for the Delivery,
Temporary Stockpiling and Purchase of Clean Soil Material in an Amount Not-to-
Exceed \$980,000.**

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America, acting by and through the Department of the Navy (the "Navy"); and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Independent Construction Co. ("ICC") is a California construction company that does grading and paving for large development and construction projects and is a member of a team submitting bids on the contract to construct the fourth bore of the Caldecott Tunnel on Highway 24; and,

WHEREAS, As part of the tunnel creation, large quantities of excavated soil will be generated, which soil is extremely valuable, and often in short supply, for development and infrastructure projects; and,

WHEREAS, In the current real estate development market, there is not an immediate demand for the soil so ICC has identified Treasure Island as the closest potential site to temporarily stockpile the soil to enable ICC to reduce its transportation costs for its portion of the Caltrans tunnel construction contract; and,

WHEREAS, ICC has proposed, subject to ICC being on the team selected for the Caltrans contract, to transport and temporarily stockpile clean soil at Treasure Island for sale to the Authority, which enables ICC to reduce transportation costs and also makes clean soil available for development and infrastructure projects in San Francisco at an extremely competitive rate; and,

WHEREAS, Based on currently available land on Treasure Island, it is estimated that approximately 280,000 cubic yards of clean soil could be temporarily stockpiled on approximately 8 acres of the island, with the delivery and temporary stockpiling anticipated to occur in three to four phases over an eighteen to twenty-four month period starting in late 2009; and,

WHEREAS, The Authority and ICC have negotiated a Term Sheet related to the purchase and storage of the clean soils on Treasure Island, under which the Authority would pay \$3.50 per cubic yard for up to 280,000 cubic yards of stockpiled soil brought to Treasure Island by ICC for a total not-to-exceed amount of the contract of \$980,000; and,

WHEREAS, The Authority would not be required to pay the purchase price of the soil until the Authority or any public or private third party purchasing the soil from the Authority begins to remove soil from the temporary stockpile location, at which time the Authority would pay the purchase price on a quarterly basis based on the amount of soil removed, and for any soil remaining in the temporary stockpile location as of December 31, 2015, the Authority would be required to pay ICC the purchase price no later than in three equal annual installments; and,

WHEREAS, ICC will be required to establish and implement a sampling and analysis plan for the excavated materials in accordance with the testing requirements of the Navy and all applicable federal, state, and local laws and regulations to ensure that all import fill is below the acceptable limits for the following chemicals of concern: TPH Gasoline (per EPA method 8015), TPH Diesel/Motor Oil (per EPA method 8015M), Pesticides (per EPA method 8081), PCBs (per EPA method 8082), Semi Volatile Organics (per EPA method 8270C), Volatile Organics (per EPA method 8260B), California Title 22 Metals (CAM 17) (per EPA method 6010B/7400), and Asbestos (per Polarized Light Microscopy, PLM), and all import fill will be tested to ensure that it is free of burnt or demolition debris, staining, discoloration or odor, including but not limited to, broken glass, metal, wood, brick, concrete, refuse and other discarded material; and,

WHEREAS, Upon delivery and placement of clean soil at the identified locations, ICC will be responsible for ensuring that all materials are protected via fencing to restrict access, and appropriately contained and controlled from creating dust, polluting stormwater and infiltrating into groundwater; now, therefore be it

RESOLVED, That the Board of Directors hereby authorizes the Treasure Island Redevelopment Project Director to execute a contract (the "Soil Contract") with ICC consistent with the Term Sheet attached hereto as Exhibit A and in a form approved by the City Attorney and the Treasure Island Project Redevelopment Director; and be it

FURTHER RESOLVED, That the Board of Directors hereby finds that (i) entering into the Soil Contract will serve the goals of the Authority and the public interests of the City, and (ii) the financial terms of the Soil Contract are economically reasonable; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Treasure Island Redevelopment Project Director to enter into any additions, amendments or other

modifications to the Soil Contract that the Treasure Island Redevelopment Project Director determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Soil Contract, such determination to be conclusively evidenced by the execution and delivery by the Treasure Island Redevelopment Project Director of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on September 9, 2009.

John Elberling, Secretary

ITEM 9, EXHIBIT A

TERM SHEET FOR THE PURCHASE AND STORAGE OF SOIL ON TREASURE ISLAND

Independent Construction Co. (ICC) is currently part of a contractor team bidding on one or more excavation projects in the San Francisco Bay Area that are expected to generate approximately 280,000 to 400,000 cubic yards of clean, excavated dirt spoils. The dirt spoils would comprise excellent material for grading and site preparation for development and/or public works projects in San Francisco. ICC and the Treasure Island Development Authority (TIDA) are negotiating a proposed agreement for TIDA to purchase up to 280,000 cubic yards of clean soil that would then be stored on Treasure Island. By transporting the soil from the excavation site(s) to Treasure Island, which is a shorter distance than other potential storage sites, ICC can benefit from transportation cost savings. As a result, the soil would be available for purchase at a substantially reduced price.

This Term Sheet outlines the general terms of a proposed agreement between ICC and TIDA relating to TIDA's purchase of clean soil from ICC, and storage of the clean soil on Treasure Island.

1. **Materials.** ICC estimates that approximately 280,000 to 400,000 cubic yards of clean soil would be available for purchase from one or more potential excavation projects on which ICC is bidding. Under the proposed agreement, TIDA would purchase up to 280,000 cubic yards of clean soil.
2. **Timeframe.** Delivery of the soils is anticipated to occur over an 18 to 24 month period starting this fall.
3. **Purchase Price.** The purchase price for up to 280,000 cubic yards of approved clean soil delivered to Treasure Island would be \$3.50 per cubic yard, not to exceed a total of \$980,000.
4. **Payment.** TIDA would pay the purchase price for the clean soil on a quarterly basis. The purchase price would be calculated by multiplying \$3.50 per cubic yard times the total amount of soil removed from the storage site(s) each calendar quarter by TIDA or third parties purchasing the soil from TIDA (which third parties could be the City or other public or private agencies/entities). For any soil remaining at the storage site(s) on December 31, 2015, TIDA would pay ICC the purchase price for such remaining soil no later than in three equal annual installments (without interest), beginning on December 31, 2015, and annually thereafter until paid in full.
5. **Location.** TIDA would make available, subject to approval by the United States Navy (Navy) who is the property owner and is conducting environmental remediation on the property, sufficient land area on Treasure Island to accommodate the storage of 280,000 cubic yards of clean soil. It is estimated that approximately 8 acres of land will be required to accommodate this amount of clean soil. Potential locations are identified on the attached map of the island. The areas would be made available consistent with the timing of the delivery of the 280,000 cubic yards of soil.
6. **Excess Soil.** If ICC excavates more than 280,000 cubic yards of clean soil (the "Excess Soil"), ICC may request from TIDA a license agreement for the storage of the Excess Soil, subject to Navy approval of any necessary additional storage site(s). If TIDA and, to the extent necessary, the Navy approve the granting of a license to store the Excess Soil, then as

consideration for the storage license, ICC would grant to TIDA a right of first refusal to purchase any or all of the Excess Soil at the lesser of (i) \$3.50 per cubic yard or (ii) the price offered for the soil by a third party purchaser. The storage license would expire no later than December 31, 2015. The storage license and any purchase of the Excess Soil would be subject to the approval of the TIDA Board of Directors in its sole and absolute discretion and all other necessary approvals.

7. **Soil Testing Protocols.** ICC would be required to comply with Caltrans, Navy and DTSC soil testing requirements to ensure that the excavated soils delivered to Treasure Island are not contaminated with hazardous materials including, but not limited to, TPH gasoline (EPA method 8015), TPH diesel/motor oil (EPA method 8015M), pesticides (EPA method 8081), PCBs (EPA method 8082), semi-volatile organics (SVOCs) (EPA method 8270C), volatile organics (VOCs) (EPA method 8260B), California Title 22 metals (CAM 17) (EPA method 6010B/7400), or asbestos (Polarized Light Microscopy, PLM). The agreement would describe the specific testing protocols including the number of samples and types of analysis, consistent with DTSC Information Advisory for Clean Imported Fill Material dated October 2001, and the required deliverables and deadlines for delivery to allow the Navy and TIDA sufficient time to review and analyze the data. No soil would be delivered to Treasure Island prior to receiving TIDA's and the Navy's written approval of the documentation evidencing that the excavated soils are clean of contaminants. Soil containing burnt or demolition debris, including but not limited to, broken glass, metal, wood, brick, concrete, refuse and other material, or staining, discoloration or odor, would not be allowed regardless of the analytical results.
8. **Storage Maintenance.** Upon delivery of the soils at the identified locations, ICC would be responsible for ensuring that soil materials are protected via fencing, and appropriately contained and controlled from creating dust, and polluting stormwater and groundwater. The agreement will describe the specific requirements for delivery and management of the stockpiles. ICC would have the ongoing responsibility to ensure compliance with these same requirements until TIDA has completed payment for the material under the terms of the agreement.
9. **City Contracting Requirements.** ICC would be required to comply with standard City contracting and insurance requirements, which would be included in the agreement between ICC and TIDA.

The agreement would be contingent on ICC being awarded a contract for soil excavation that results in clean soil being available for delivery to Treasure Island under the terms of the agreement. While this term sheet summarizes certain basic terms of the proposed agreement, it is not intended to be, and will not become, contractually binding on TIDA or ICC, and no legal obligation will exist, unless and until the parties have negotiated, executed and delivered a mutually acceptable agreement.





AGENDA ITEM 12
Treasure Island Development Authority
City and County of San Francisco
Meeting of September 9, 2009

Subject: Informational Presentation Regarding Transmittals of: i) a Statement of Preparation of a Redevelopment Plan to the State Board of Equalization, the San Francisco Office of the Controller, and all Affected Taxing Entities and; ii) a Report on Projections of any Changes in School Age Population and School Facilities within the Project Area to the California Department of Finance in Accordance with Sections 33327 and 33328.1(b) of California Community Redevelopment Law.

Contact: Michael Tymoff, Office of Economic and Workforce Development

BACKGROUND

On July 8, 2009, the Authority Board of Directors authorized staff, in accordance with Sections 33327 and 33328.1(b) of California Community Redevelopment Law(CRL), to transmit: i) A Statement of Preparation of a Redevelopment Plan to the State Board of Equalization, the San Francisco Office of the Controller, and all affected taxing entities, and; 2) a Report on Projections of any Changes in School Age Population and School Facilities within the Project Area to the California Department of Finance. As requested at the July 8, 2009 TIDA Board meeting, staff is providing both transmittals for informational and future planning purposes.

DISCUSSION

Upon receipt of an approved Preliminary Plan, the Authority is required, in accordance with Sections 33327 and 33328.1(b) of CRL, to transmit a Statement of Preparation of a Redevelopment Plan ("Statement of Preparation") to the San Francisco Office of the Controller, the State Board of Equalization and all affected taxing entities, and a report on projections of any changes in school age population and school facilities within the Project Area to the California Department of Finance.

Section 33327: The Statement of Preparation must contain the following:

1. A statement that a plan for the redevelopment of the area is being prepared
2. A map indicating the boundaries of the project area
3. A description of the boundaries of the project area
4. A statement of the intended base year assessment roll

On August 21, 2009, staff transmitted the Statement of Plan Preparation to the San Francisco Office of the Controller, the State Board of Equalization and all affected taxing entities (see Exhibit A).

Section 33328.1(b): In addition to the Statement of Preparation, amendments to the CRL which came into effect January 01, 2007, require that additional information be provided to the State of California's Department of Finance. The CRL now requires that calculations of the projected change in number of new residents and school age children as a result of redevelopment in the proposed project area and the potential impacts of new development on the school district serving the proposed project area be provided by the San Francisco Unified School District (District) and the City College of San Francisco (City College). The District and City College have provided their calculations to staff for the purpose of providing the California Department of Finance with the required projections.

The District's method of calculating public school enrollment uses yield factors based on the total number and type of residential units within the Treasure Island Redevelopment Project Area. For affordable housing, a yield factor of 0.7 students per unit is used for both the proposed Treasure Island Homeless Development Initiative (TIHDI) residential units and non-senior Authority residential units, while a yield factor of 0.10 students per unit is used for all inclusionary units. For market rate residential units, a yield factor of 0.25 students per unit is used. Based on these yield factors, the District projects that the proposed Treasure Island Redevelopment Project could generate as many as 1,694 total public school students to the attendance area. This is an increase of 1,305 pupils from the 389 current school-age children within the Project Area.

For planning and environmental review purposes, an overall average of 2.3 persons per housing unit is being used, which is consistent with the current citywide average being used by the Planning Department. Based on the higher density alternative of 8,000 new residential units being studied in the environmental impact report, the estimated total future population could be as many as 18,400 residents. To calculate the change in the total number of residents generated by 8,000 new residential units, the current total resident population of 2,153 was subtracted from the estimated future population total of 18,400, for a projected increase of 16,247 total residents. The projected change in the number of non-school age residents was then calculated by subtracting the estimated increase of 1,305 school age children, based on the District's methodology, from the 16,999 increase in the total number of residents. The result is a projected increase of 14,942 non-school age residents. Using a yield factor of 1 City College student per 7 residents, the City College estimates that the proposed redevelopment plan could provide new housing leading to the introduction of 2,135 new students, or about 1,067 Full Time Equivalent Students. Because the College is currently modernizing its facilities, this increase in student population would not change the demand for community college classroom facilities within the next 45 years.

On August 21, 2009, staff transmitted a Report on Projections of any Changes in School Age Population and School Facilities within the Project Area to the California Department of Finance (see Exhibit B). As requested by the Authority Board of Directors on July 8, 2009, staff is providing these projections and associated transmittal materials for informational purposes.

Prepared by: Michael Tymoff, Office of Economic and Workforce Development

EXHIBITS

- A. A Statement of Preparation of a Redevelopment Plan to the State Board of Equalization, the San Francisco Office of the Controller, and all Affected Taxing Entities
- B. A Report on Projections of any Changes in School Age Population and School Facilities within the Project Area to the California Department of Finance

**STATEMENT OF PREPARATION OF REDEVELOPMENT PLAN FOR THE
PROPOSED TREASURE ISLAND/YERBA BUENA ISLAND
REDEVELOPMENT PROJECT AREA**

To: John Bilmont, Controller
San Francisco Community College District

Pursuant to Section 33327 of the California Health and Safety Code, you are hereby notified that the Treasure Island Development Authority (TIDA) is in the process of completing a redevelopment plan for the Treasure Island/Yerba Buena Island Project Area, designated by the San Francisco Board of Supervisors as of November 10, 2008. This notice supersedes all prior actions and notices related to the proposed establishment of a Treasure Island/Yerba Buena Island Redevelopment Project Area.

It is the intention of TIDA to complete said redevelopment plan and to have it adopted pursuant to California Community Redevelopment Law in 2010. TIDA expects to use the 2010-2011 roll for the Treasure Island/Yerba Buena Island Redevelopment Project Area as the Base Year Assessment Roll for the purpose of the redevelopment plan. Please find enclosed a proposed boundary map and boundary description of the Treasure Island/Yerba Buena Island Redevelopment Project Area along with a list of Assessor's Parcel Numbers within the Project Area.

Dated: August 21, 2009

Treasure Island Development Authority

Jack Sylvan
Treasure Island Redevelopment
Project Director

[x] Initial Plan

 1 Number of Areas

 1,100 Acreage of Total Area

Attachments:

1. Map of Proposed Treasure Island/Yerba Buena Island Redevelopment Project Area
2. Legal Description for Proposed Project Area
3. List of Assessor's Parcel Numbers within Proposed Project Area

**STATEMENT OF PREPARATION OF REDEVELOPMENT PLAN FOR THE
PROPOSED TREASURE ISLAND/YERBA BUENA ISLAND
REDEVELOPMENT PROJECT AREA**

To: Scott Schroeder, Controller-Treasurer
Bay Area Rapid Transit District

Pursuant to Section 33327 of the California Health and Safety Code, you are hereby notified that the Treasure Island Development Authority (TIDA) is in the process of completing a redevelopment plan for the Treasure Island/Yerba Buena Island Project Area, designated by the San Francisco Board of Supervisors as of November 10, 2008. This notice supersedes all prior actions and notices related to the proposed establishment of a Treasure Island/Yerba Buena Island Redevelopment Project Area.

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Dated: August 21, 2009

Treasure Island Development Authority

Jack Sylvan
Treasure Island Redevelopment
Project Director

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**STATEMENT OF PREPARATION OF REDEVELOPMENT PLAN FOR THE
PROPOSED TREASURE ISLAND/YERBA BUENA ISLAND
REDEVELOPMENT PROJECT AREA**

To: Jean Roggenkamp, Deputy Air Pollution Control Officer
Bay Area Air Quality Management District

Pursuant to Section 33327 of the California Health and Safety Code, you are hereby notified that the Treasure Island Development Authority (TIDA) is in the process of completing a redevelopment plan for the Treasure Island/Yerba Buena Island Project Area, designated by the San Francisco Board of Supervisors as of November 10, 2008. This notice supersedes all prior actions and notices related to the proposed establishment of a Treasure Island/Yerba Buena Island Redevelopment Project Area.

It is the intention of TIDA to complete said redevelopment plan and to have it adopted pursuant to California Community Redevelopment Law in 2010. TIDA expects to use the 2010-2011 roll for the Treasure Island/Yerba Buena Island Redevelopment Project Area as the Base Year Assessment Roll for the purpose of the redevelopment plan. Please find enclosed a proposed boundary map and boundary description of the Treasure Island/Yerba Buena Island Redevelopment Project Area along with a list of Assessor's Parcel Numbers within the Project Area.

Dated: August 21, 2009

Treasure Island Development Authority

Jack Sylvan
Treasure Island Redevelopment
Project Director

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**STATEMENT OF PREPARATION OF REDEVELOPMENT PLAN FOR THE
PROPOSED TREASURE ISLAND/YERBA BUENA ISLAND
REDEVELOPMENT PROJECT AREA**

To: Maribel Medina, General Counsel
San Francisco Unified School District

Pursuant to Section 33327 of the California Health and Safety Code, you are hereby notified that the Treasure Island Development Authority (TIDA) is in the process of completing a redevelopment plan for the Treasure Island/Yerba Buena Island Project Area, designated by the San Francisco Board of Supervisors as of November 10, 2008. This notice supersedes all prior actions and notices related to the proposed establishment of a Treasure Island/Yerba Buena Island Redevelopment Project Area.

It is the intention of TIDA to complete said redevelopment plan and to have it adopted pursuant to California Community Redevelopment Law in 2010. TIDA expects to use the 2010-2011 roll for the Treasure Island/Yerba Buena Island Redevelopment Project Area as the Base Year Assessment Roll for the purpose of the redevelopment plan. Please find enclosed a proposed boundary map and boundary description of the Treasure Island/Yerba Buena Island Redevelopment Project Area along with a list of Assessor's Parcel Numbers within the Project Area.

Dated: August 21, 2009

Treasure Island Development Authority

Jack Sylvan
Treasure Island Redevelopment
Project Director

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**STATEMENT OF PREPARATION OF REDEVELOPMENT PLAN FOR THE
PROPOSED TREASURE ISLAND/YERBA BUENA ISLAND
REDEVELOPMENT PROJECT AREA**

To: Ben Rosenfield
City and County of San Francisco Office of Auditor-Controller

Pursuant to Section 33327 of the California Health and Safety Code, you are hereby notified that the Treasure Island Development Authority (TIDA) is in the process of completing a redevelopment plan for the Treasure Island/Yerba Buena Island Project Area, designated by the San Francisco Board of Supervisors as of November 10, 2008. This notice supersedes all prior actions and notices related to the proposed establishment of a Treasure Island/Yerba Buena Island Redevelopment Project Area.

It is the intention of TIDA to complete said redevelopment plan and to have it adopted pursuant to California Community Redevelopment Law in 2010. TIDA expects to use the 2010-2011 roll for the Treasure Island/Yerba Buena Island Redevelopment Project Area as the Base Year Assessment Roll for the purpose of the redevelopment plan. Please find enclosed a proposed boundary map and boundary description of the Treasure Island/Yerba Buena Island Redevelopment Project Area along with a list of Assessor's Parcel Numbers within the Project Area.

Dated: August 21, 2009

Treasure Island Development Authority

Jack Sylvan
Treasure Island Redevelopment
Project Director

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**STATEMENT OF PREPARATION OF REDEVELOPMENT PLAN FOR THE
PROPOSED TREASURE ISLAND/YERBA BUENA ISLAND
REDEVELOPMENT PROJECT AREA**

To: Phil Ting
City and County of San Francisco Office of the Assessor-Recorder

Pursuant to Section 33327 of the California Health and Safety Code, you are hereby notified that the Treasure Island Development Authority (TIDA) is in the process of completing a redevelopment plan for the Treasure Island/Yerba Buena Island Project Area, designated by the San Francisco Board of Supervisors as of November 10, 2008. This notice supersedes all prior actions and notices related to the proposed establishment of a Treasure Island/Yerba Buena Island Redevelopment Project Area.

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Dated: August 21, 2009

Treasure Island Development Authority

Jack Sylvan
Treasure Island Redevelopment
Project Director

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1. Map of Proposed Treasure Island/Yerba Buena Island Redevelopment Project Area
2. Legal Description for Proposed Project Area
3. List of Assessor's Parcel Numbers within Proposed Project Area

**STATEMENT OF PREPARATION OF REDEVELOPMENT PLAN FOR THE
PROPOSED TREASURE ISLAND/YERBA BUENA ISLAND
REDEVELOPMENT PROJECT AREA**

To: Mr. Mike Harris
State Board of Equalization

Pursuant to Section 33327 of the California Health and Safety Code, you are hereby notified that the Treasure Island Development Authority (TIDA) is in the process of completing a redevelopment plan for the Treasure Island/Yerba Buena Island Project Area, designated by the San Francisco Board of Supervisors as of November 10, 2008. This notice supersedes all prior actions and notices related to the proposed establishment of a Treasure Island/Yerba Buena Island Redevelopment Project Area.

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Dated: August 21, 2009

Treasure Island Development Authority

Jack Sylvan
Treasure Island Redevelopment
Project Director

[x] Initial Plan

 1 Number of Areas

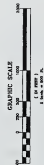
1.100 Acreage of Total Area

Attachments:

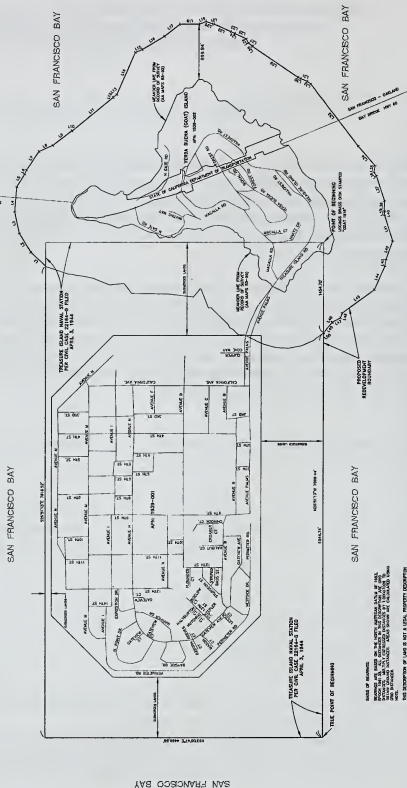
1. Map of Proposed Treasure Island/Yerba Buena Island Redevelopment Project Area (digital format, with supporting documents)
2. Legal Description for Proposed Project Area
3. List of Assessor's Parcel Numbers within Proposed Project Area
4. Filing fee: Check #1600-3765430 for \$3,900.00

EXHIBIT B

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	



VICINITY MAP
NOT TO SCALE



SALES OF REALTY



ENGINEERS
SURVEYORS
PLANNERS

August 13, 2009

Exhibit "A"
LEGAL DESCRIPTION
FOR REDEVELOPMENT AREA

All that real property situate in the City of San Francisco, County of San Francisco, State of California, being all of the lands shown as "TREASURE ISLAND NAVAL STATION PER CIVIL CASE 22164-G FILED APRIL 3, 1944" on that certain Record of Survey filed for record July 15, 2003 in Book AA of Maps at pages 85 through 95, inclusive, and all of the lands shown as "TRANSFERRED TO THE U.S. DEPT. OF LABOR MARCH 3, 1998", as shown on said Record of Survey, and all of the lands shown on the map entitled "Map and Metes and Bounds Description of United States Military and Naval Reservations, Yerba Buena (Goat) Island, California, including land ceded by the State of California by Act of the Legislature of the State of California, approved March 9, 1897 (Stat. Cal., 1897, p. 74)," filed April 12, 1934, in Book N of Maps, at Page 14, in the Office of the County Recorder of said City and County of San Francisco, more particularly described as follows:

BEGINNING at Station "GOAT" as shown on said Record of Survey; thence along the southwesterly line of said Treasure Island Naval Station as shown on said Record of Survey, North 26°51'13" West 7999.44 feet to the **TRUE POINT OF BEGINNING**;

thence along the northwesterly line of said Treasure Island Naval Station, North 63°08'47" East 4499.68 feet;

thence along the northeasterly line of said Treasure Island Naval Station, South 26°51'13" East 7619.52 feet to a point 899.94 feet northerly offshore beyond the meander line shown on said Record of Survey;

thence along a line 899.94 feet (300 yards) offshore beyond said meander line, the following fifty (50) courses:

- 1) South 73°55'17" East 326.55 feet;
- 2) South 58°23'25" East 355.15 feet;
- 3) South 39°25'22" East 354.20 feet;
- 4) South 22°34'19" East 401.01 feet;
- 5) South 03°59'45" West 242.83 feet;
- 6) South 01°04'17" East 75.77 feet;
- 7) South 06°35'45" West 361.72 feet;



ENGINEERS
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PLANNERS

- 8) South $39^{\circ}14'49''$ West 240.16 feet;
- 9) South $25^{\circ}37'46''$ West 387.12 feet;
- 10) South $61^{\circ}38'51''$ West 5.31 feet;
- 11) South $24^{\circ}04'50''$ West 851.31 feet;
- 12) South $04^{\circ}39'16''$ East 4.03 feet;
- 13) South $24^{\circ}57'46''$ West 71.54 feet;
- 14) South $03^{\circ}15'45''$ East 744.06 feet;
- 15) South $40^{\circ}29'48''$ West 125.88 feet;
- 16) South $32^{\circ}29'47''$ West 418.42 feet;
- 17) South $24^{\circ}59'47''$ West 319.26 feet;
- 18) South $63^{\circ}01'51''$ West 317.57 feet;
- 19) South $40^{\circ}53'47''$ West 115.73 feet;
- 20) South $85^{\circ}49'50''$ West 112.52 feet;
- 21) South $63^{\circ}01'51''$ West 26.02 feet;
- 22) South $87^{\circ}45'51''$ West 298.90 feet;
- 23) South $85^{\circ}49'50''$ West 66.97 feet;
- 24) North $81^{\circ}21'04''$ West 11.97 feet;
- 25) South $87^{\circ}45'51''$ West 203.57 feet;
- 26) North $49^{\circ}40'10''$ West 73.19 feet;
- 27) North $81^{\circ}21'04''$ West 79.67 feet;
- 28) North $58^{\circ}49'10''$ West 12.07 feet;
- 29) North $82^{\circ}46'14''$ West 888.13 feet;
- 30) North $89^{\circ}03'03''$ West 45.98 feet;



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- 31) South $85^{\circ}28'01''$ West 115.44 feet;
- 32) North $79^{\circ}57'12''$ West 69.75 feet;
- 33) North $64^{\circ}19'07''$ West 1260.22 feet;
- 34) North $67^{\circ}51'05''$ West 419.65 feet;
- 35) North $17^{\circ}25'07''$ West 107.80 feet;
- 36) North $61^{\circ}36'55''$ West 68.75 feet;
- 37) North $45^{\circ}33'55''$ West 432.38 feet;
- 38) North $24^{\circ}02'59''$ West 157.87 feet;
- 39) North $42^{\circ}15'03''$ West 18.49 feet;
- 40) North $31^{\circ}19'05''$ West 54.47 feet;
- 41) North $44^{\circ}55'02''$ West 436.06 feet;
- 42) North $06^{\circ}29'08''$ West 319.55 feet;
- 43) North $17^{\circ}21'13''$ West 111.31 feet;
- 44) North $02^{\circ}26'10''$ West 414.66 feet;
- 45) North $27^{\circ}34'47''$ East 644.94 feet;
- 46) North $11^{\circ}37'07''$ West 79.32 feet;
- 47) North $36^{\circ}22'46''$ East 148.22 feet;
- 48) North $05^{\circ}46'49''$ East 10.89 feet;
- 49) North $12^{\circ}27'09''$ East 208.62 feet;
- 50) North $25^{\circ}47'47''$ East 5.07 feet to a point on the southwesterly line of said Treasure Island Naval Station as shown on said Record of Survey;

thence along said southwesterly line, North $26^{\circ}51'13''$ West 6544.74 feet to the
TRUE POINT OF BEGINNING.

Containing 51,934,649 square feet or 1,192.255 acres, more or less.




ENGINEERS
SURVEYORS
PLANNERS

Basis of Bearings: Bearings are based on the North American Datum of 1983, Epoch 1991.35. All distances in this description are grid distances. Multiply expressed distances by 1.00007026 to obtain ground distances. Areas shown are calculated using grid distances.

A plat showing the above-described parcel is attached herein and made a part hereof as Exhibit "B".

This description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

 08.13.09

Michael A. Shoup, PLS 7616
License Expires 12/31/2010



END OF DESCRIPTION



ENGINEERS
SURVEYORS
PLANNERS

August 13, 2009

Parcel name: BOUNDARY FOR LEGAL

North: 2130254.46176914 East: 6017210.89357108
Line Course: N 63-08-47 E Length: 4499.68
North: 2132287.02359343 East: 6021225.34403570
Line Course: S 26-51-13 E Length: 7619.52
North: 2125489.16561150 East: 6024667.17667078
Line Course: S 73-55-17 E Length: 326.55
North: 2125398.72563988 East: 6024980.95288727
Line Course: S 58-23-25 E Length: 355.15
North: 2125212.58071996 East: 6025283.41212632
Line Course: S 39-25-22 E Length: 354.20
North: 2124938.96788703 East: 6025508.34246589
Line Course: S 22-34-19 E Length: 401.01
North: 2124568.67594230 East: 6025662.26743386
Line Course: S 03-59-45 W Length: 242.83
North: 2124326.43623278 East: 6025645.34608547
Line Course: S 01-04-17 E Length: 75.77
North: 2124250.67947936 East: 6025646.76284611
Line Course: S 06-35-45 W Length: 361.72
North: 2123891.35366011 East: 6025605.21391083
Line Course: S 39-14-49 W Length: 240.16
North: 2123705.36741952 East: 6025453.27331746
Line Course: S 25-37-46 W Length: 387.12
North: 2123356.33601797 East: 6025285.82489217
Line Course: S 61-38-51 W Length: 5.31
North: 2123353.81432664 East: 6025281.15186608
Line Course: S 24-04-50 W Length: 851.31
North: 2122576.59153775 East: 6024933.79980762
Line Course: S 04-39-16 E Length: 4.03
North: 2122572.57482780 East: 6024934.12682625
Line Course: S 24-57-46 W Length: 71.54
North: 2122507.71794080 East: 6024903.93484373
Line Course: S 03-15-45 E Length: 744.06
North: 2121764.86385495 East: 6024946.27974587
Line Course: S 40-29-48 W Length: 125.88
North: 2121669.13919599 East: 6024864.53279444
Line Course: S 32-29-47 W Length: 418.42
North: 2121316.23317867 East: 6024639.73813405
Line Course: S 24-59-47 W Length: 319.26
North: 2121026.87685140 East: 6024504.83126444
Line Course: S 63-01-51 W Length: 317.57
North: 2120882.85538062 East: 6024221.79677741



ENGINEERS
SURVEYORS
PLANNERS

Line Course: S 40-53-47 W	Length: 115.73
North: 2120795.37568314	East: 6024146.02913636
Line Course: S 85-49-50 W	Length: 112.52
North: 2120787.19476758	East: 6024033.80693258
Line Course: S 63-01-51 W	Length: 26.02
North: 2120775.39441279	East: 6024010.61658918
Line Course: S 87-45-51 W	Length: 298.90
North: 2120763.73350175	East: 6023711.94413790
Line Course: S 85-49-50 W	Length: 66.97
North: 2120758.86435925	East: 6023645.15138118
Line Course: N 81-21-04 W	Length: 11.97
North: 2120760.66439548	East: 6023633.31749891
Line Course: S 87-45-51 W	Length: 203.57
North: 2120752.72256992	East: 6023429.90247413
Line Course: N 49-40-10 W	Length: 73.19
North: 2120800.09087552	East: 6023374.10803242
Line Course: N 81-21-04 W	Length: 79.67
North: 2120812.07156783	East: 6023295.34400566
Line Course: N 58-49-10 W	Length: 12.07
North: 2120818.32064974	East: 6023285.01763770
Line Course: N 82-46-14 W	Length: 888.13
North: 2120930.08565303	East: 6022403.94812799
Line Course: N 89-03-03 W	Length: 45.98
North: 2120930.84732670	East: 6022357.97443711
Line Course: S 85-28-01 W	Length: 115.44
North: 2120921.72361491	East: 6022242.89554468
Line Course: N 79-57-12 W	Length: 69.75
North: 2120933.89151867	East: 6022174.21509172
Line Course: N 64-19-07 W	Length: 1260.22
North: 2121480.02848449	East: 6021038.48234897
Line Course: N 67-51-05 W	Length: 419.65
North: 2121638.24082193	East: 6020649.79870025
Line Course: N 17-25-07 W	Length: 107.80
North: 2121741.09745266	East: 6020617.52869072
Line Course: N 61-36-55 W	Length: 68.75
North: 2121773.78049014	East: 6020557.04413434
Line Course: N 45-33-55 W	Length: 432.38
North: 2122076.48808279	East: 6020248.30382639
Line Course: N 24-02-59 W	Length: 157.87
North: 2122220.65372608	East: 6020183.96717901
Line Course: N 42-15-03 W	Length: 18.49
North: 2122234.34017844	East: 6020171.53491768
Line Course: N 31-19-05 W	Length: 54.47
North: 2122280.87363102	East: 6020143.22204622
Line Course: N 44-55-02 W	Length: 436.06
North: 2122589.65976610	East: 6019835.32685888

255 Shoreline Drive
Suite 200
Redwood City
California 94065
phone 650.482.6300
fax 650.482.6399
www.bkf.com



BKF

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Line Course: N 06-29-08 W Length: 319.55
North: 2122907.16476209 East : 6019799.23281477
Line Course: N 17-21-13 W Length: 111.31
North: 2123013.40816806 East : 6019766.03259208
Line Course: N 02-26-10 W Length: 414.66
North: 2123427.69341461 East : 6019748.40732352
Line Course: N 27-34-47 E Length: 644.94
North: 2123999.34726405 East : 6020047.00317082
Line Course: N 11-37-07 W Length: 79.32
North: 2124077.04198795 East : 6020031.02843207
Line Course: N 36-22-46 E Length: 148.22
North: 2124196.37489439 East : 6020118.94217298
Line Course: N 05-46-49 E Length: 10.89
North: 2124207.20952348 East : 6020120.03894665
Line Course: N 12-27-09 E Length: 208.62
North: 2124410.92176027 East : 6020165.02371054
Line Course: N 25-47-47 E Length: 5.07
North: 2124415.48651551 East : 6020167.23004452
Line Course: N 26-51-13 W Length: 6544.74
North: 2130254.46496148 East : 6017210.88899940

Perimeter: 31284.03 Area: 51,934,649 sq.ft. 1,192,25549 acres

Mapcheck Closure - (Uses listed courses and chords)

Error Closure: 0.00557596 Course: N 55-04-26 W

Error North: 0.003192335 East : -0.004571682

Precision 1: 5,610,515.50

 08.13.09

Michael A. Shoup, PLS 7616

License Expires 12/31/2010



255 Shoreline Drive
Suite 200
Redwood City
California 94065
phone 650.482.6300
fax 650.482.6399
www.bkf.com

J:\Sur06\060077\Legal & Plat\Treas Island Closure.doc

List of Assessor's Parcel Numbers

APN: 1939-001 (Treasure Island)

APN: 1939-002 (Yerba Buena Island)

**TRANSMITAL OF SB 1206 REPORTING REQUIREMENTS FORM
FOR THE PROPOSED TREASURE ISLAND/YERBA BUENA ISLAND REDEVELOPMENT
PROJECT AREA**

To: Mr. Chris Hill
State of California, Department of Finance

Pursuant to Section 33328.1(b) of the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), in connection with the preparation of a Redevelopment Plan for the proposed Treasure Island/Yerba Buena Island Project Area ("Plan"), enclosed with this letter is a report, in the form provided by the Department of Finance, setting forth the requirements specified in said Section 33328.1(b). The documents provided by the San Francisco Unified School District and the San Francisco Community College District used to complete the required form are also enclosed.

The Treasure Island Development Authority is proceeding with adoption of the Plan pursuant to the provisions of the California Community Redevelopment Law.

Dated: August 21, 2009

Treasure Island Development Authority

Jack Sylvan
Treasure Island Redevelopment
Project Director

[x] Initial Plan

1 Number of Areas

1,100 Acreage of Total Area

Attachments:

1. SB 1206 Reporting Requirements Form
2. Letter from the San Francisco Unified School District, dated August 3, 2009
3. Email from the San Francisco Community College District, dated August 12, 2009
4. Map of Proposed Treasure Island/Yerba Buena Island Redevelopment Project Area
5. Legal Description for Proposed Project Area

California Department of Finance

Reporting Requirements Specified in Health and Safety Code Section 33328.1,
Subdivision (b)

In accordance with Senate Bill 1206 (Chapter 595, Statutes of 2006), please provide the following information. If the space provided is insufficient, please attach additional sheets as necessary. Please note that an affirmative numerical response, based on the best available information, must be provided for each question.

If you have any questions, please contact the California Department of Finance, Local Government Unit, at (916) 322-2263. Please remit the completed form to:

California Department of Finance
Attention: Local Government Unit
915 L Street
Sacramento, CA 95814

1. Please enter the name of the redevelopment agency, and project area, for which the following information is being provided:

Treasure Island Development Authority
Treasure Island/Yerba Buena Island Redevelopment Project Area

2. Using the best available information, enter the projected change in the number of residents within the project area during the duration of the project area. "Duration" refers to the period encompassing the first year of project area establishment to the year in which the project area will repay its indebtedness. "School age children" refers to persons between the ages of five (5) and seventeen (17), inclusive.

School age children 1,305

All other residents 14,942

3. Explain the methodology used to arrive at the population estimates provided in response to Question Two.

The San Francisco Unified School District (the "District") method of calculating enrollment projections uses a factor to predict student yield based on total residential units within the Treasure Island Project Area ("Project Area"). For affordable housing, a pupil yield factor of .7 is allowed for each proposed Treasure Island Homeless Development Initiative (TIHDI) residential unit and non-senior Agency residential unit while a pupil yield factor of .25 is allowed for each proposed market rate residential unit. For each inclusionary residential unit a pupil yield factor of factors of .10 is allowed. According to projections provided by the District (see attached letter), the proposed project could generate as many as 1,694 total pupil units to the Attendance Area. This is an increase of 1,305 pupils from the 389 current school-age children within the Project Area.

For CEQA purposes we are using an overall average of 2.3 persons per housing unit, which is the current average around the Project Area. This number was obtained from the Planning Department and is the average citywide factor used in determining population estimates from housing units. Using an overall average of 2.3 persons per household for the 8,000 new units, the estimated total future population as a result of the redevelopment program is 18,400 new residents.

To calculate the change in the total number of residents generated by 8,000 new residential units, the current total resident population of 2,153 was subtracted from the estimated future population total of 18,400. This computation yields an increase of 16,247 total residents. The projected change in the number of non-school age residents was then calculated by subtracting the estimated increase of 1,305 school age children, based on the District's methodology, from the 16,247 increase in the total number of residents. The result is a projected increase of 14,942 non-school age residents.

4. In accordance with Health and Safety Code Section 33328.1 (b) (2), attach hereto the projections prepared by each school district, county office of education, and community college district within the project area of any change in the need for school facilities within the project area during the duration of the project area. "Duration" refers to the period encompassing the first year of project area establishment to the year in which the project area will repay its indebtedness.

Attached are two documents: a letter from the District and an email from the City College of San Francisco regarding future student populations and needs for public school and community college facilities respectively.

The letter from the District describes the methodology used by the District, described above in Question Three, to estimate a potential future school age population increase of 1,305 pupils. Although the letter states that "there will be approximately 1,694 additional school-age children on Treasure Island who will attend public schools," it is understood that 1,694 refers to the total, not additional, number of school-age children. (The District's application of its school-age projection methodology on 8,000 residential units yields a number that describes total school-age population, not change in school-age population.) This estimated increase in the school-age population is consistent with the proposal for the Treasure Island school, currently planned to serve the children of Treasure Island, Yerba Buena Island, and San Francisco.

The enclosed email from City College estimates that the proposed redevelopment plan could provide new housing leading to the introduction of 2,135 new students, or about 1,067 Full Time Equivalent Students. Because the College is currently modernizing its facilities, this increase in student population would not change the demand for community college classroom facilities within the next 45 years.

5. If questions arise regarding the information contained in this document, the California Department of Finance should contact the following person:

Name and Title: Michael Tymoff, Project Manager

Phone Number: (415) 554-7038

E-Mail Address: Michael.Tymoff@sfgov.org

Signature of Redevelopment Agency Director,
or their designee

Date Signed



Carlos Garcia, Superintendent of Schools
Phone (415) 241-6121/Fax 241-6012/carlos Garcia@sfusd.edu

San Francisco Unified School District · 555 Franklin Street · San Francisco, California 94102

August 3, 2009

Office of Economic and Workforce Development
City Hall, Room 448
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

To Whom It May Concern:

San Francisco Unified School District has prepared projections for the school-age population based on the redevelopment of the Treasure Island area of San Francisco. Projections are based on the "student yield" of existing housing in San Francisco. "Student yield" refers to the number of students likely to be enrolled in public school and is calculated for each housing type (affordable, inclusionary, market rate, etc.). Assuming 8,000 total housing units, we project that there will be approximately 1,694 additional school-age children on Treasure Island who will attend public schools.

Currently, public school students living on Treasure Island attend schools off the Island in other parts of San Francisco. Based on the projected growth in housing and school-age population, the San Francisco Board of Education will consider opening a pre-kindergarten, elementary, and /or middle school on the Island. Most likely high school students would continue to attend schools in other parts of San Francisco.

Sincerely,

A handwritten signature in dark ink, appearing to be "Carlos Garcia", is located below the word "Sincerely,". The signature is stylized with a large, sweeping loop at the end.

Carlos Garcia
Superintendent of Schools
San Francisco Unified School District



Re: FW: Treasure Island Community College Facilities Impact

Peter Goldstein to Christie Wahng

09/02/2009 01:45 PM

michael.tymoff

The San Francisco Community College District estimates a participation rate of roughly 1 in 7 across the city and county. The proposed Treasure Island redevelopment plan could provide new housing leading to an increase of 16,247 residents, suggesting the possibility of 2,135 new students, or about 1,067 Full Time equivalent Students. Given the College's modernization of its facilities that is now only partially completed, this increase would not change the demand for community college classroom facilities within the next 45 years within the San Francisco "mainland".

If the community demanded classroom instruction on the island itself, then the college would require additional classroom space in that location.

Thank you,

Peter Goldstein
San Francisco Community College District
Vice Chancellor for Finance & Administration
415.241.2229



CITY & COUNTY OF SAN FRANCISCO



TREASURE ISLAND DEVELOPMENT AUTHORITY
ONE AVENUE OF THE PALMS,
2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

Draft Minutes of September Board Meeting
Treasure Island Development Authority
September 9, 2009

San Francisco City Hall
Room 400
San Francisco, CA

Gavin Newsom, Mayor

1. Call to Order

1:31 P.M.

Roll Call

Present

Owen Stephens, *President*
John Elberling, *CFO, Secretary*
Helen Nigg
John Rahaim

Excused

Douglas Shoemaker
Fred Blackwell
Jean-Paul Samaha
Supervisor Chris Daly

GOVERNMENT
DOCUMENTS DEPT

OCT 13 2009

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2a. Director's Report

Director Saez reported that the Labor Day Bay Bridge closure ran smoothly and that no weekend activities were adversely affected by the closure. She gave a "Shout Out" to Wendy McArthur, who staffed the front gate. The Bridge closure gave Caltrans the opportunity to cut down trees on YBI that were considered unsafe, cleared brush and undergrowth that posed a fire hazard and restriped and refreshed lanes.

Clipper Cove Legislation was passed by the Board of Supervisors (BOS) in early August. Staff will now write the regulations based on the legislation and the dozen of comments received from the boating community. Additionally, Staff has procured the services of Tom Costello of the firm "Marine Lien Sales" to conduct the lien and sale process of abandoned vessels that were removed in June.

On Monday August 17th, the historic tug boat Wenonah which berths on Pier One sank. The Coast Guard mobilized and addressed the pollution threat to the waters by booming the area. On Friday, August 28, The Coast Guard raised the vessel with the help of Caltrans whose contractor had on hand a large enough crane for the job sitting yards away for the Bay Bridge Construction project. TIDA staff has asked the owner to remove the vessel. In the interim, TIDA Staff is to

inspect the tug regularly and DPW staff is on standby with pumps in the event that the tug takes on water again.

DPW has completed the installation of new car wash near the residential area. The car wash had previously been closed because of unauthorized use by non-Island residents.

On August 4th, TIDA, SFPD, and SFFD hosted National Night Out. National Night Out is an event which occurs across the country in which residents are encouraged to take back their streets from criminals. Residents enjoyed hot dogs and beverages at the TI Fire House. The SFPD Canine Unit and the Equestrian Unit entertained the children. On August 15th, the YMCA hosted an End of Summer Block Party at the gym. The community event was open to all residents.

There were four new sublease signed since July generating an annual income of \$319,920.

Upcoming events include the California International Dragon Boat Races (9/26-27/09), American Lung Association Healthy Air Walk (9/26/09), Alzheimer's Memory Walk (10/10/09), and the Treasure Island Lodi Wine Festival (10/11/09).

Director Samaha arrived at 1:42 P.M.

There was no public comment.

2b. Report by Office of Economic & Workforce Development

Mr. Jack Sylvan reported progress on the design, engineering, and funding of the Yerba Buena Island Ramps Improvement Project being proposed by the San Francisco County Transportation Authority. A draft environmental impact report for the ramps project is expected by the end of the year.

Letters have been sent to all residents informing them of upcoming informational meetings to discuss the redevelopment process. A total of five informational meetings have been scheduled. Project plans and timelines will be discussed, as well as opportunities to be involved in the planning process.

There have been two sets of discussions with Navy and DOD officials in Washington, D.C. over the past month. Federal legislation introduced in both the House and Senate focused on the Economic Development Conveyance transfer mechanism is likely to be completed, in whatever form, by end of September. There is support from both political parties on the issue. Mr. Sylvan expects there to be more information available by next month's meeting.

Director Shoemaker arrived at 1:50 P.M.

There was no public comment.

2c. Report from the Treasure Island/Yerba Buena Island Citizen's Advisory Board

There was no report given.

3. Communications

Communication items include: John Stewart Co.'s June and July 2009 Percentage Rent Report; the August and September Island Newsletters; letters to and from the San Francisco Film Commission; a letter concerning the helicopter pad and several news stories – including the *San Francisco Examiner* cover story on the Director of Island Operations, Mirian Saez, and a story about the NBC drama *Trauma*.

4. Ongoing Business by Directors

Director Stephens reported that he and City Attorney Eileen Malley were reviewing the TIDA By Laws and Rules for the purpose of updating them. Revisions to the documents will be presented in the near future.

Director Rahaim praised those involved – especially Caltrans – for the smooth Labor Day Weekend Bridge closure.

5. General Public Comment

Two individuals spoke during the public comment, and the three-minute time limit was strictly used.

Sherry Williams, TIHDI, invited everyone to their October 8, 2009 event at the Pavilion. The theme is “Gratitude”. One of the people being honored is Mirian Saez.

Dan Stone, Villages at Treasure Island, reported that the housing partners have been meeting regularly to discuss security and house rules. A private security firm was retained by CHP, which, he said, has had a significant positive effect. The various housing partners are comparing house rules so as to be able to present a single document that will cover all providers.

6. Consent Agenda

Agenda Item 6G, the Resolution concerning the loan agreement with History San Jose for the temporary loan of the Miguel Covarrubias Murals was pulled by Director Stephens and tabled by Director Elberling. There was no public comment on the remaining items.

Director Stephens motioned for approval Agenda Items 6A, 6B, 6C, 6D, 6E, 6F, 6H, 6I and 6J. These Consent Agenda Items passed unanimously.

7. Resolution Approving the Election of Officers of the Treasure Island Development Authority, as Nominated by the Ad Hoc Nomination Committee, to Serve for a Twelve Month Term Beginning October 1, 2009 and Ending September 30, 2010.

There was no public comment.

Director Nigg motioned for approval. Item 7 passed unanimously.

8. Resolution Approving and Authorizing Execution of (i) the Memorandum of Agreement Between the Treasure Island Development Authority, Treasure Island Homeless Development Initiative, the Department of Children Youth and Their Families, and the San Francisco State University’s Head Start Program; (ii) the Grant Agreement to provide operating subsidy to the San Francisco State University’s Head Start Program; and (iii) the Sublease with San Francisco State University for Building 502, Treasure Island.

Ms. Marianne Thompson, Treasure Island Development Authority, reviewed the history of this resolution since Kidango announced that it would cease operating on the Island in May 2009.

TIDA, TIHDI, the Department of Children Youth and Their Families (DCYF), and San Francisco State University’s (SFSU) Head Start negotiated a Memorandum of Agreement (MOA) commencing on September 16, 2009 and ending on December 31, 2009. The MOA sets forth guidelines and funding requirements for SFSU to provide full-day infant and toddler child-care services for children ages 6 months to 2 years old and provide child-care service to preschoolers 3 to 5 years old. TIDA and SFSU also negotiated a Grant Agreement under which the Authority would provide a grant to SFSU in an amount not to exceed \$57,195.50. The grant funds would be payable in installments to fund the Authority’s share of the operating subsidy payable to SFSU in the following terms: September 4, 2009 - TIHDI \$60,000.00; September 16,

2009 - DCYF \$33,742.00; October 1, 2009 - TIDA \$20,000.00 and TIHDI \$20,000.00; November 1, 2009 - TIDA \$20,000.00 and TIHDI \$21,398.50; and December 1, 2009 - TIDA \$17,195.50.

Director Rahaim said he felt this resolution was consistent with the TIDA mission, but asked what would happen at the end of the year. Ms. Saez felt that Head Start would be able to operate the facility through other funding sources. TIDA's financial obligations would therefore end with the new calendar year.

Sherry Williams, TIHDI, thanked TIDA and DCYF the support for making this transition happen seamlessly so that service was not interrupted.

Mardi Lucich from the Department of Children, Youth and Their Families, spoke to stress the need for this program on the Island.

Director Shoemaker motioned for approval. The Item passed unanimously.

9. Resolution Authorizing a Contract with Independent Construction Co. (ICC) for the Delivery, Temporary Stockpiling and Purchase of Clean Soil Material in an Amount Not-to-Exceed \$980,000.

Mr. Jack Sylvan, Office of Economic & Workforce Development, reported that Independent Construction Co. came to the City with the proposal. ICC is bidding on the fourth bore of the Caldicott Tunnel, and transporting the dirt from the tunnel locally would decrease their costs and provide for inexpensive fill for City projects. The contract would be dependent on the ICC team winning the bid. Fill would be delivered in phases over an 18 month period beginning later this year. ICC would maintain the stockpile, which will not be near any residential areas. Payment would not be made until stockpiled fill is removed for use. Any remaining soil would have to be paid for in three equal payments starting December 31, 2015.

Director Elberling asked if truck routes would also not impact the residences. Mr. Sylvan said that was so.

Director Shoemaker asked whether TIDA would sell any extra fill to other City agencies at cost or at a profit. Mr. Sylvan said the price would be at TIDA's discretion.

There was no public comment on this Item.

Director Shoemaker motioned for approval. The Item passed unanimously.

10. Informational Presentation: Operational Update on Treasure Island's Permanent Supportive Housing for Families.

Jeff Kositsky, Community Housing Partnership, reviewed steps taking place since the May 2009 TIDA Board meeting. One step was to initiate Town Hall meetings where subsidized housing tenants could meet with senior management to discuss their concerns without site staff present. There is now a staffed telephone line so that tenants can talk with a live body 24/7. An outside security company has been hired to protect the grounds. The contract is expiring soon, but Mr. Kositsky hopes there will be money to continue security in some form. There have been evictions to those tenants who have violated rules. Mr. Kositsky stressed that this is an ongoing process that will continue.

He noted that crime and vandalism has decreased while tenant participation has increased due to a communications outreach.

Director Shoemaker expressed his support to the work that has taken place.

Director Nigg also expressed her appreciation. She asked what changes to house rules had been made. Mr. Kositsky said they were still looking at what the housing provisions had in common

and that nothing had actually been rewritten. He said that it was really more about the enforcement of the existing rules.

Director Elberling asked if visitors were required to sign in. The answer was that there is no sign-in requirements. Mr. Kositsky said that there was an 86 List, but that each case was reviewed individually.

Under public comment, Mark Connors, president of Good Neighbors, acknowledged the improvements on the Island over the last three months. He also said that he had received many calls from residents stating that the Quality of Life on the Island has improved.

Ms. Lavina De Sliva, Boys & Girls Club, had a great summer. Sixty-four TI residents participated in a 10-day environmental camping experience. They also hired 12 teens and implemented a Teen Initiative program to see what teens wanted and needed. There was also a picnic. Twelve participated in the Gaelic Rugby tournament this summer.

Director Rahaim expressed appreciation for the steps taken and said he hoped there could be periodic updates.

11. Continuation of Informational Presentation of the Design for Development Phase II: Definition of the Three Dimensional Form for the Treasure Island Redevelopment Project by Treasure Island Community Development from July 8, 2009 TIDA Board Meeting.

At the July 8, 2009 Board Meeting, Mr. Keith Orlesky, Treasure Island Community Development, made an Informational Presentation of the Design for Development Phase II: Definition of the Three Dimensional Form for the Treasure Island Redevelopment Project to the Board. Because of time restrictions, Directors presented Mr. Orlesky with questions they would like to have answered at the next Board meeting, which was September 9, 2009. Mr. Orlesky, therefore, fielded the questions given him at the July Board meeting by the Directors.

The first question was *Wind Mitigation*. Mr. Orlesky stated that the main factors affecting the wind are the actual grid layout (which is at an angle to minimize the wind's effect), the shape of the various towers and their placement within the grid, and the planting of trees and shrubs.. He also stated that tall buildings require an individual wind mitigation study.

The second question was *Uniform Master Plan vs. Organic Design* or what level of consistency was the developer striving for. Mr. Orlesky said the developers were not striving for a "deliberate consistency" nor a "deliberate variety for its own sake". There is no "theme" for Treasure Island.

Director Elberling raised the point that the impression is that the Island will have a uniformity not expressed by Mr. Orlesky and that the public tends to take the promotional literature at face value. He then asked whether there should be a uniform theme – just as a question, not a recommendation. His concern was the possibility of a "hodge podge" as seen from a distance.

Director Rahaim seconded the question of the consistency vs. variety – pointing out that, because of time span (15 years approximate), it would be difficult to impose strict guidelines on the various developers. He expressed concern that there be flexibility in heights of buildings, as well as flexibility in individual design while striving for a uniform appearance from a distance.

The next question about *Religious Institution or Community Spaces* asked whether these were part of the developer's plan. Mr. Orlesky said that no religious facility had been planned for at this point nor has any congregation come forward asking about having a facility. Some of the mandated community spaces could also be used for religious services. Director Elberling noted that this would take place in the future, that future Board members would grapple with it, but hoped that the provision for such a future occurrence would be included in the planning. Director

Elberling asked about the status of the existing Chapel; Mr. Tymoff said it was not designated as being historic that would make it safe from being demolished.

The next question was *Phasing*. Mr. Orlesky said that specifics are not available yet, but that there are three or four major pieces planned. Each phase will be presented to Board beforehand with details. Seismic and perimeter stabilization will be two of the first problems addressed.

The final question was *Sustainability*. Mr. Orlesky said this comes in layers that must be achieved. Use of resources, use of water, reuse of water, energy utilization, transportation all have to be built into the plan and are. The plan must meet Gold Leed Standard and show good faith effort to obtain Platinum level. Further, all buildings must meet Treasure Island standard, which is essentially Gold Leed Standard.

The goal is to have the "Design for Development" draft completed by the end of calendar year 2009.

There was public comment. Claire Wahrhaftig, president of Treasure Island Museum Association, voiced need for cultural aspect for the Island, i.e. space, of which the Museum is a vital part. Her hope is to be part of the planning process and to have a permanent home back in Building One.

Eve Bach brought up the need to look at the joint roles of rigidity and fluidity, so that both the developer and the City can move with the changing market conditions over the build-out of the project.

Jeff Rainer, an Island resident, brought up the issue of housing the Fisher Museum on the Island.

12. Informational Presentation Regarding Transmittals of: i) a Statement of Preparation of a Redevelopment Plan to the State Board of Equalization, the San Francisco Office of the Controller, and all Affected Taxing Entities and; ii) a Report on Projections of any Changes in School Age Population and School Facilities within the Project Area to the California Department of Finance in Accordance with Sections 33327 and 33328.1(b) of California Community Redevelopment Law.

Michael Tymoff, Office of Economic & Workforce Development, stated that the Board had authorized Staff at the July 8, 2009 Board meeting to prepare a report projecting any changes in school-age population on the Island. Mr. Tymoff reported that, based on a figure of 2.3 persons per household being used for planning purposes and with a future population projection of an 18,000 people, the City College projected the future number of students to be 2,135 – half of whom would be full-time. The number is based on one student per seven residents.. The San Francisco Unified School District estimated that from this number a total of 1,305 would be public-school-age students.

Director Elberling asked if the projections were for public school students only. Mr. Tymoff responded yes.

Director Samaha asked if project generated funds going to the San Francisco Unified School District can be captured for the Island. Mr. Tymoff said discussions with SFUSD were underway, but no final decisions have been made.

13. Possible Closed Session

The two Closed Sessions were dealt with as one.

There was no public comment on either proposed Closed Session.

Director Stephens motioned to move to closed session.

The TIDA Board went into Closed Session at 3:50 PM.

Closed Session Attendees:

Jack Sylvan, Office of Economic & Workforce Development

Michael Tymoff, Office of Economic & Workforce Development

Peter Holm, Treasure Island Development Authority

Eileen Malley, Office of the City Attorney

Mirian Saez, Director of Island Operations

The TIDA Board returned to Open Session at 4:16 PM.

Director Stephens motioned not to disclose the Closed Session discussion.

The Board unanimously voted not to disclose the Closed Session discussion.

14. Discussion of Future Items by Directors

There was no discussion.

15. Adjourn

The meeting was adjourned at 4:18 P.M.



CITY & COUNTY OF SAN FRANCISCO

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MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

**TREASURE ISLAND DEVELOPMENT AUTHORITY
MEETING AGENDA**

October 14, 2009 – 1:30 P.M.

Room 400, City Hall
1 Dr. Carlton B. Goodlett Place

Gavin Newsom, Mayor

DIRECTORS

Owen Stephens, *President*
Fred Blackwell
Jean-Paul Samaha
Helen Nigg, *Secretary*

Supervisor Chris Daly (*Ex-Officio*)
John Elberling, *CFO*
John Rahaim
Douglas Shoemaker

Mirian Saez, Director of Island Operations
Peter Holm, Commission Secretary

**GOVERNMENT
DOCUMENTS DEPT**

OCT 13 2009

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PUBLIC LIBRARY**

ORDER OF BUSINESS

1. Call to Order and Roll Call
2. Reports
 - a. Report by Director of Island Operations (*Discussion Item*)
Estimated Length of Item: 5 minutes
 - b. Report by Office of Economic & Workforce Development (*Discussion Item*)
Estimated Length of Item: 10 minutes
 - c. Report by the Treasure Island/Yerba Buena Island Citizen's Advisory Board (*Discussion Item*)
Estimated Length of Item: 5 Minutes
3. Communications (*Discussion Item*)

Estimated Length of Item: 5 minutes

4. Ongoing Business by Directors
5. General Public Comment (*Discussion Item*) ****In addition to General Public Comment, Public Comment will be held during each item on the agenda. ****
Estimated Length of Item: 10 minutes
6. **CONSENT AGENDA**
Estimated Length of Item: 5 minutes

All matters listed hereunder constitute a Consent Agenda, are considered to be routine by the Treasure Island Development Authority Board and will be acted upon by a single vote of the Authority Board. There will be no separate discussion of these items unless a member of the Authority Board so requests, in which event the matter shall be removed from the Consent Agenda and considered as a separate item.

- a. Approving the Minutes of the July 8, 2009 Meeting (*Action Item*)
- b. Resolution Approving and Authorizing the Director of Island Operations to Execute Use Permit No. P-196 with The Safeway Foundation, Inc., a California nonprofit corporation, for the production of a fundraising event for the Safeway Foundation (*Action Item*)
- c. Resolution Approving and Authorizing the Execution of a Fifth Amendment to Sublease with the John Stewart Company to Discontinue Earthquake and Flood Insurance (*Action Item*)
7. Resolution Authorizing an Extension of the Exclusive Negotiation Period and Required Completion Dates Under the Amended and Restated Exclusive Negotiating Agreement with Treasure Island Community Development, LLC. (*Action Item*)
Presented by Jack Sylvan, Office of Economic & Workforce Development
Estimated Length of Time: 10 Minutes
8. Resolution Authorizing a Second Amendment to the Memorandum of Agreement with the San Francisco County Transportation Authority for Project Management Services and Consultant Services for the Preparation of a Project Report and Environmental Document for the Yerba Buena Island Ramps. (*Action Item*)
Presented by Jack Sylvan, Office of Economic & Workforce Development
Estimated Length of Time: 10 Minutes
9. Informational Presentation on Sustainability and Infrastructure Updates (*Discussion Item*)
Presented by Treasure Island Community Development
Estimated Length of Time: 20 Minutes
10. **POSSIBLE CLOSED SESSION**
If approved by the TIDA Board, this Closed Session item will take place for approximately 30 minutes at the end of the meeting

- a. Public Comment on all items relating to closed session
- b. Vote on whether to hold closed session to confer with real property negotiators and legal counsel. (*Action item*)

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Persons negotiating for the Authority: Jack Sylvan, Michael Tymoff

Persons negotiating with the Authority: United States Navy, Treasure Island Community Development LLC,

Property: Former Naval Station Treasure Island

Under Negotiation:

Price: _____ Terms of payment: _____ Both: X

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING
PENDING OR THREATENED LITIGATION (*Discussion Item*)

Discuss attorney client privileged matter with legal counsel pursuant to California Government Code Section 54956.9(a) and San Francisco Administrative Code Section 67.10(d) (1 case)

- *Anticipated Litigation*

As defendant: _____ As plaintiff: _____ As both: X

- c. Reconvene in open session (*Action item*)

- i. Possible report on action taken in closed session under Agenda Item 10 (Government Code Section 54957.1 (a) (1) and San Francisco Administrative Code Section 67.12)

- ii. Vote to elect whether to disclose any or all discussions held in closed session (*San Francisco Administrative Code Section 67.12*).

10. Discussion of Future Items by Directors

11. Adjourn

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, 410 Avenue of the Palms, Building 1, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.

If any materials related to an item on this agenda have been distributed to the TIDA Board of Directors after distribution of the agenda packet, those materials are available for public inspection at Treasure Island Development Authority, Building One, 2nd Floor, 410 Ave. of Palms, San Francisco, CA 941130 during normal office hours.

Disability Access

The Treasure Island Development Authority holds its regular meetings at San Francisco City Hall. City Hall is accessible to persons using wheelchairs and others with disabilities. Assistive listening devices are available upon request. Agendas are available in large print. Materials in alternative formats and/or American Sign Language interpreters will be made available upon request. Please make your request for alternative format or other

accommodations to the Mayor's Office on Disability 554-6789 (V), 554 6799 (TTY) at least 72 hours prior to the meeting to help ensure availability.

The nearest accessible BART station is Civic Center Plaza at the intersection of Market, Grove, and Hyde Streets. The accessible MUNI Metro lines are the J, K, L, M, and N (Civic Center Station or Van Ness Avenue Station). MUNI bus lines serving the area are the 47 Van Ness, 9 San Bruno, and the 6, 7, 71 Haight/ Noriega. Accessible curbside parking is available on 1 Dr. Carlton B. Goodlett Place and Grove Street. For more information about MUNI accessible services, call 923-6142.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based scented products. Please help the City to accommodate these individuals.

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing devices.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Code 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94102, telephone (415) 581-2300, fax (415) 581-2317 and web site <http://www.sfgov.org/ethics/>.

KNOW YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE

(Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact: Administrator, Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at 415 554 7724; by fax at 415 554 7854; or by email at sotf@sfgov.org.

Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from the SOTF or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, <http://www.sfgov.org>



GAVIN NEWSOM
MAYOR

POLICE DEPARTMENT
CITY AND COUNTY OF SAN FRANCISCO

THOMAS J. CAHILL HALL OF JUSTICE
860 BRYANT STREET
SAN FRANCISCO, CALIFORNIA 94103-4603



GEORGE GASCÓN
CHIEF OF POLICE

October 1, 2009

Ms. Mirian Saez
Executive Director
Treasure Island Development Authority
410 Avenue of the Palms
Treasure Island
SF., CA 94130



ms
file
MT
TICK Board

SENT VIA FACSIMILE TO (415) 274-0299

Reference: Treasure Island Crime Statistics – September 2009

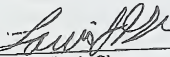
Dear Ms. Saez:

There were thirteen incident reports filed with the San Francisco Police Department about occurrences on Treasure Island and Yerba Buena Island during the month of September 2009. Please see Attachment A for specific information.

Please Contact me at (415) 553-9154 or at Daniel.McDonagh@sfgov.org if you have any questions.

Sincerely,

Daniel McDonagh
Captain – Southern Station

By: 
Officer Louis Glaser
Southern Station
(415) 553-7959

Total 7

609
Homicide
Vehicle Theft 1

Part 1 Crimes &
Robbery
Sex Offenses

Assault

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MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

TO: Mayor Gavin Newsom
CC: Steve Kawa, Chief of Staff
Ed Lee, City Administrator
FROM: Mirian Saez, Director of Island Operations
RE: Treasure Island Informational Update
DATE: September 17, 2009, 2009

A handwritten signature in blue ink, appearing to be "MS" or similar initials, written over the "FROM" line.

Highlights of the Month

Head Start – San Francisco State University

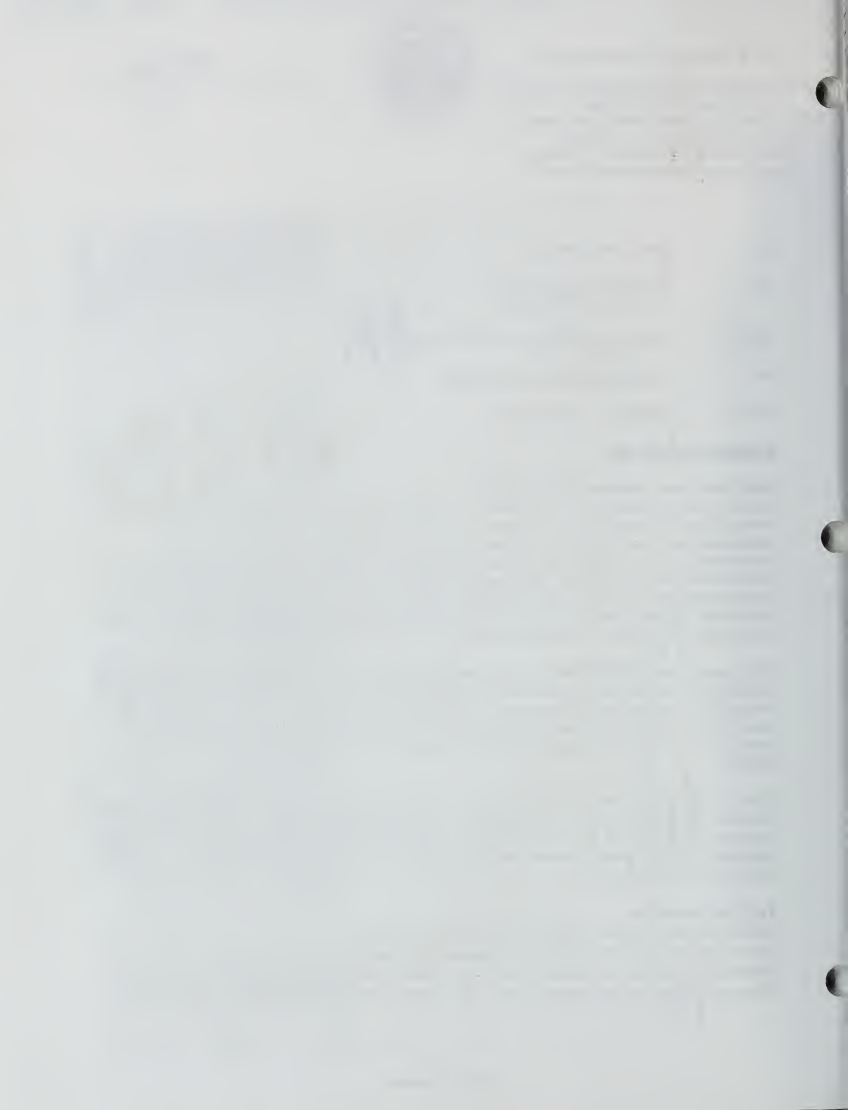
On May 1, 2009, Kidango, gave formal notice to its families that it would be terminating operations at its Treasure Island childcare facility. Kidango cited financial and staffing challenges as reasons for terminating operations on the Island. On May 4, 2009, representatives from the Treasure Island Development Authority (TIDA), the Treasure Island Homeless Development Initiative (TIHDI), and the Department of Children Youth and Their Families (DCYF) met to discuss minimizing disruption of services to the center's families, and to identify a qualified child care service provider for the Island. Parties identified San Francisco State University's (SFSU) Head Start Program as a qualified child care provider that will be able to provide quality child care services to the Island's children.

SFSU surveyed the community and concluded that there were indeed more than a sufficient number of undeserved families and children who would benefit from their program and services. SFSU accepted the responsibility to operate the child care center and serve the children currently enrolled at the facility, who are mostly from TIHDI families and are eligible to receive various forms of subsidies. Further SFSU intends to reach out to all Island residents and the broader San Francisco population to achieve maximum capacity.

TIDA, TIHDI, DCYF, and SFSU have negotiated a Memorandum of Agreement (MOA) commencing September 16, 2009 and ending on December 31, 2009. Parties also negotiated a Grant Agreement for operating subsidy of \$192,336.00 which TIDA's share is \$57,195.50. Post December 31, 2009 TIDA anticipates SFSU to operate the child development center utilizing federal funds from the American Recovery and Reinvestment Act.

Tug Boat Wenonah

Monday August 17, 2009, TIDA, the U.S. Coast Guard, California Department of Fish and Game's Office of Spill Prevention and Response, local agencies, and other partner organizations initiated oil mitigation and surfacing plans in response to the sinking of the World War II tug the Wenonah, at Pier One on Treasure Island. The Coast Guard contracted with a salvage company



Memo to Mayor Gavin Newsom
Treasure Island Development Authority
September 17, 2009, 2009

to surface the tug, Wenonah. Salvage crews were able to surface and patch the tug boat. The operation was made possible by the U.S. Coast Guard accessing a federal grant utilized to mitigate spills caused by abandoned or derelict vessels. There were no reports of impacts to wildlife. TIDA is currently exploring ways of disposing of the tug boat.

Treasure Island 1939 at the Presidio Officers' Club, July 22, 2009 - October 18th, 2009

Treasure Island 1939 celebrates the 70th anniversary of the Golden Gate International Exposition that marked the completion of the Golden Gate Bridge and the San Francisco-Oakland Bay Bridge and highlighted the cultural and economic life of the Pacific region. The fair's Streamline Moderne pavilions, Art Deco monuments and vibrant arts and entertainment introduced new visions of architecture, art and design to the Bay Area and provided a welcome diversion in troubled times. The exhibit features black and white and early color photographs of the art, architecture, dramatic nighttime lighting and grand landscapes of the exposition and the public's enjoyment of this memorable pageant of the Pacific.

Quality of Life Issues

- On August 4th, TIDA, the San Francisco Police Department (SFPD), and the San Francisco Fire Department hosted National Night Out. National Night out is an event which occurs across the country in which residents are encouraged to take back their streets. Residents gathered at the fire house where they enjoyed food and beverage. SFPD provided a canine unit and an equestrian unit for children to enjoy. Our National Night Out was incredibly successful, and residents asked if this could become a quarterly event.
- During the Labor Day weekend, Island residents were given access passes which enabled them to travel to and from the Island during the Bay Bridge Closure. TIDA worked diligently on outreach to all residents, special event guests, commercial tenants and vendors to insure that everyone had access to the island. Caltrans noted that this year's closure was exceptionally well managed.
- As part of a comprehensive program to address quality of life issues in the residential area, TIDA and TIHDI have been working on uniform House Rules. This document will insure that all residents, regardless of their housing provider, will abide the same rules of tenancy.

New Leases

Nathan Kramer – a small independent business owner has leased office space in Building One. His lease is for one of the few remaining offices available in Building One.

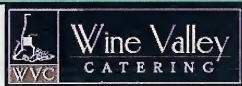
Gaelic Athletic Association Club House – located at the site of the old Treasure Island School, and across from the GAA fields, the club house supports the activities and tournaments of the organization.

Future special events

California International Dragon Boat Races, September 26/27, 2009
American Lung Association Healthy Air Walk, September 26, 2009
Alzheimer's Memory Walk, October 10, 2009
Treasure Island Lodi Wine Festival, Sunday October 11, 2009
Oracle, Open World Appreciation Party, Wednesday, October 14, 2009
Third Annual Treasure Island Music Festival, October 17/18, 2009

Attached are the current media for Treasure Island





Mirian Saez
Director of Island Operations
Treasure Island Development Authority
1 Avenue of the Palms
San Francisco, CA 94130

The Lodi Winegrape Commission, in cooperation with the California Wine Education Foundation, will hold a wine tasting with educational seminars on October 11, 2009. The event is to be held in San Francisco's newest event facility; Treasure Island's Pavilion by the Bay!

The event is called The Treasure Island Wine Fest and will be promoted at www.tiwinifest.com.

The purpose of the event is to educate the public and trade about the Lodi appellation in the relaxed atmosphere of Treasure Island.

There will be a variety of food, and strolling musicians (non-amplified) will provide background entertainment. Participating wineries may opt to sell their bottle wines for off-site consumption outside of the event perimeter.

The Lodi Winegrape Commission is expecting 750 people to attend this event.

The cost of admission is \$55.00 online or \$65.00 at the gate. Wine tasting goes will also enjoy the air show from a vantage point only Treasure Island can offer!

Many of the activities include a grape stomp, environmentally friendly "green" wine making demos, wine and food pairing, Olive Oil samplings and much more!

This will be the very first large scale wine festival Treasure Island has hosted and it promises to be spectacular. TIDA will receive \$2.00 for every ticket sold to this event.

11:00-SFCC onsite

11:30-EMT arrives, additional security arrives, supplemental parking volunteers in place

12:00 to 1:00-Trade and Media tasting, ticket sales open

1:00- Public wine tasting begins

4:45- Wineries advised to stop pouring

5:00- Event end, security moves attendees out

TREASURE ISLAND DEVELOPMENT AUTHORITY

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MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

To: Treasure Island Development Authority Board of Directors
From: Mirian Saez, Director of Island Operations
Date: October 9, 2009
Re: Golden Gate International Exposition 70th Anniversary
Commemorative Activities

The following events and activities occurred in commemoration of the 70th Anniversary of the 1939 – 1940 Golden Gate International Exposition on Treasure Island in 2009.

Exhibitions:

1.) "Flying to the Faire: Aviation and the Golden Gate International Exposition"

SFO Domestic Terminal 1 Exhibit Space – February through July, 2009

Public exhibit produced by San Francisco Airport Museums highlighting transportation themes of the GGIE and featuring images and artifacts from the SFO Museum and U.S. Navy Treasure Island Museum collections.

2.) "A Trip to the Fair 1939: The Golden Gate International Exposition on Treasure Island"

San Francisco Main Library, 6th Floor Exhibition Area – July through September, 2009

Public exhibit produced by the San Francisco Public Library's San Francisco History Center, featuring original souvenirs, art work, photographs and ephemera from the collections of the San Francisco History Center.

3.) "Treasure Island 1939: San Francisco's Pageant of the Pacific"

Presidio Officer's Club Exhibition Hall – July through October, 2009

Public exhibit produced by the Treasure Island Development Authority and Presidio Trust featuring images and artifacts of the GGIE from the San Francisco

Public Library, California State Archives, U.S. Navy Treasure Island Museum collection and private collections.

All exhibitions were free to the public.

Programming:

1.) Treasure Island History Day

Treasure Island Building One Lobby - February 21, 2009

History Day and celebration of the February, 1939 opening of the Golden Gate International Exposition (GGIE) featuring exhibitions and presentations about the GGIE. Sponsored by the Treasure Island Development Authority (TIDA) and the Treasure Island Museum Association (TIMA).

2.) Treasure Island History Day

Treasure Island Yacht Club - February 21, 2009

Open House featuring exhibitions and presentations about the GGIE. Sponsored by the Treasure Island Yacht Club.

3.) Tour of Treasure Island featuring Zoe Dell Lantis Nutter

Treasure Island - April 4, 2009

A historical interpretive walking tour of Treasure Island and a presentation and discussion with Zoe Dell Lantis Nutter, the Official Theme Girl of the 1939 GGIE. Sponsored by TIDA and TIMA.

4.) "The Un-Official Guide to the Fair"

Presidio Officer's Club - September 17, 2009

A lecture on the GGIE by **Presidio Trust**

Historian Dr. Randolph Delehanty. Sponsored by the Presidio Trust.

4.) "The Art of Pacific Unity"

Presidio Officer's Club - October 1, 2009.

An evening of lectures on the art and architecture of the GGIE, featuring Adrianna Williams, expert on Miguel and Rosa Covarrubias, William Maynez, City College of San Francisco Rivera Mural project, and Anne Schnoebelen, Treasure Island Museum Association. Sponsored by the Presidio Trust, TIDA and TIMA.

All programs were free to the public.

Treasure Island Development Authority
Subleases and Permits Executed
Pursuant To Leasing Policy
As of October 14, 2009

Location / Facility	Agreement Number	Leasehold Status (new / expired)	Company Name / Prospective Subtenant	Commencement Date	Leasehold Type	Sq. Ft.	Monthly Rent	Comments
Building 216	188	New	Mark Demma	9/1/09	Sublease	680 SF	\$100.00	Executed
Building 402	189	Renewal	YMCA	9/1/09	Sublease		N/A	Executed
Hanger 3 parking lot	P-190	New	Hartmann Studios	September 29, 2009 – October 25, 2009	Use Permit	N/A	Waived	Executed
Building 191		New	Treasure Island Homeless Development Initiative	September 16, 2009	Sublease	44,100 SF	Waived	Executed
Building 201	192	New	Canning Electric	9/21/09	Sublease	1,168 SF	\$275.00	Executed
Building 258	184	New	W Wong Construction	8/10/09	Sublease	25,300 SF	\$2,600.00	Executed
Building 1 Suite 407	174	New	Nathan Kramer	7/10/09	Sublease	105 SF	\$105.00	Executed
1224 A & B Bayside Drive	F-35	New	Open4Business Productions	September 9 -10, 2009	Film Permit	N/A	Waived	Executed
Avenue I and 8 th Street	F-36	New	Open4Business Productions	September 28 – October 2, 2009	Film Permit	N/A	Waived	Executed
Avenue I and 8 th Street	F-38	New	Open4Business Productions	October 9, 2009	Film Permit	N/A	Waived	Executed

Various parking lots on Treasure Island	P-194	New	Alzheimers Association of Northern California	October 10, 2009	Use Permit	N/A	Waived	Executed
Fogwatch Picnic Area	P-153	New	Trips4U Senior Trips	October 10, 2009	Use Permit	N/A	\$500.00	Executed
Fogwatch Picnic Area	P-140	New	U.S. Naval Academy Parents Association	October 11, 2009	Use Permit	N/A	\$500.00	Executed
Building 180 parking lot, Clipper Cove	P-181	New	Dragon Boat Festival	September 25 – September 27, 2009	Use Permit	N/A	\$10,500	Executed

Expenses		A Approved 09-10	FY 09-10 Actuals	FY 09-10 Balance
10/14/09 - DRAFT A OPERATIONS EXPENSES				
ADMINISTRATION				
MISC-REGULAR (Salaries)	Under GSA's Budget			
RETIRED CITY MISC FRINGE BENEFITS	Under GSA's Budget			
IDA INT'L FRINGE PROGRAM	\$10,000		\$9,292.00	\$5,708.00
TRAINING COSTS	\$5,000		\$0	\$5,000.00
LOCAL FIELD EXP	\$10,000		\$568.00	\$9,432.00
MEMBERSHIP FEES	\$750		\$304.41	\$445.59
PROMOTIONAL AND MARKETING EXPENSE	\$4,000		\$0	\$4,000.00
DELIVERY & POSTAGE	\$20,000		\$1,145	\$18,855.50
OFFICE RENTALS & LEASED EQUIPMENT	\$15,000		\$5,115	\$9,885.00
OFFICE MATERIALS & SUPPLIES	\$983		\$983	\$12,037.00
OTHER CURRENT ADMINISTRATIVE EXPENSES	\$16,000		\$678	\$15,322
TOTAL ADMINISTRATION	\$131,750		\$18,856	\$112,894
PROFESSIONAL & SPECIALIZED SERVICES				
TREASURE ISLAND BOYS & GIRLS CLUB HOUSE	\$140,000		\$0.00	\$140,000.00
KIDANISO	\$50,000		\$44,213	\$5,787.00
THD-OPERATING CONTRACT	\$175,000		\$13,768	\$161,231.60
TYLGM OPERATIONS YMCA	\$150,000		\$0	\$150,000.00
MARINE SALVAGE	\$25,000		\$8,317	\$16,682.75
GGFA- PUBLIC ART HISTORICAL PRESERVATION	\$40,000		\$18,026	\$21,974.00
SCAVENGER SERVICES (GOLDEN GATE DISPOSAL)	\$25,000		\$3,590	\$21,070.00
JANITORIAL SERVICES (Toolworks)	\$108,000		\$18,000	\$90,000.00
GROUND MAINTENANCE RUBICON	\$675,000		\$118,284	\$556,716.00
IDA DIRECTOR'S LIABILITY INSURANCE	\$45,000		\$0	\$45,000.00
OTHER PROFESSIONAL SERVICES	\$40,000		\$22,875	\$17,125.00
TOTAL PROFESSIONAL & SPECIALIZED SERVICES	\$1,468,000		\$247,414	\$1,220,586
CITY DEPARTMENT WORK-ORDERS				
DEPARTMENT OF PARKING AND TRAFFIC				
CONTROLLER'S OFFICE	\$15,000		\$0.00	\$0.00
DTIS SERVICES (AAO)	\$25,000		\$25,000	\$0.00
DEPARTMENT OF BUILDING INSPECTION	\$38,000		\$40,223	\$0.00
RISK MANAGEMENT INSURANCE CONSULTING	\$10,000		\$10,000	\$0.00
GENERAL SERVICES AGENCY	\$8,000		\$8,000	\$0.00
GF-CITY ATTORNEY-LEGAL SERVICES (AAO)	\$1,202,592		\$1,068,130	\$0.00
GF-CITY ATTORNEY-LEGAL SERVICES (AAO)	\$200,000		\$200,000	\$0.00
GF-CITY ATTORNEY-LEGAL SERVICES (AAO)	\$100,000		\$100,000	\$0.00
IS-PURCH-CENTRAL SHOPS-AUTO MAINT (AAO)	\$13,000		\$13,000	\$0.00
IS-PURCH-CENTRAL SHOPS-FUEL STOCK (AAO)	\$3,000		\$3,000	\$0.00
IS-PURCH-REPRODUCTION (AAO)	\$20,000		\$20,000	\$0.00
GF-PUC-HETCH HETCHY (AAO) (\$650,000 Utility Bills, 135,000 Generators, \$200,000 MOU)	\$985,000		\$985,000	\$0.00
SIR-OPW-BUILDING REPAIR (AAO)	\$1,187,608		\$475,159	\$712,449
FACILITIES MANAGEMENT SERVICES	\$0		\$794,037	\$0.00
SIR-OPW-SPECIAL SERVICES ENGINEERING	\$0		\$29,056	\$0.00
SIR-OPW-BUREAU OF STREET ENVIRONMENTAL SERVICES	\$48,470		\$48,470	\$0.00
SIR-OPW-BUREAU OF STREETS AND SEWER REPAIR SERVICES	\$80,283		\$80,283	\$0.00
SIR-OPW-BUREAU OF URBAN FORESTRY SERVICES	\$175,000		\$175,000	\$0.00
SIR-OPW-BUREAU OF OPERATIONS	\$109,824		\$109,824	\$0.00
SPECIAL CAPITAL IMPROVEMENT PROJECTS	\$425,710		\$221,176	\$204,534.00
TOTAL CITY DEPARTMENT WORK-ORDERS	\$4,549,967		\$4,219,014.00	\$204,534.00
SURPLUS AVAILABLE FOR DISTRIBUTION TO GENERAL FUND				
TOTAL OPERATIONS EXPENDITURES	\$4,014,548		\$4,140,253	\$0
PROTECTIVE SERVICES SFTD & SFTD				
TOTAL OPERATIONS EXPENDITURES	\$10,164,265		\$8,625,537	\$1,538,014

TIDA 2009-10 REVENUE SOURCES 10/14/09	FY 09-10 TIDA Board Approved Budget	FY 09-10 TIDA Deposits as of 10/14/09	Balance	Percentage
Joint Venture Special Events	\$457,355.00	\$72,723.72	\$384,631.28	16.00%
TIDA Special Events Revenues	\$194,000.00	\$35,550.00	\$158,450.00	18.32%
TI Commercial Revenues	\$1,654,800.00	\$425,105.73	\$1,229,694.27	25.69%
Film Revenues	\$20,000.00	\$3,000.00	\$17,000.00	15.00%
YBI Filming/Cellsites/ Banner Revenues	\$328,940.00	\$129,468.63	\$199,471.37	39.36%
Maritime Revenues	\$102,730.00	\$41,507.50	\$61,222.50	40.40%
John Stewart Company Housing Revenues	\$5,702,840.00	\$1,447,906.60	\$4,254,933.40	25.39%
SFFD Training Academy	\$339,600.00	\$125,672.78	\$213,927.22	37.01%
Carryforwards	\$814,000.00	\$0.00	\$814,000.00	0.00%
	\$550,000.00	\$0.00	\$550,000.00	0.00%
Grand Totals	\$10,164,265	\$2,280,935	\$7,333,330	22%

Last Dep'd 434

CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY

ONE AVENUE OF THE PALMS
2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND



MIRIAN SAEZ
DIRECTOR OF ISLAND OPERATIONS

To: Mirian Saez, Director of Island Operations
From: Marianne Mazzucco Thompson, Public Information Officer
Date: September 30, 2009
Re: Change to Head Start Memorandum of Agreement, Grant and Sublease

On September 9, 2009 Treasure Island Development Authority (the "Authority"), Treasure Island Homeless Development Initiative (TIHDI), the Department of Children Youth and Their Families (DCYF), and San Francisco State University's (SFSU) Head Start negotiated a Memorandum of Agreement (MOA) commencing on September 16, 2009 and ending on December 31, 2009. The MOA set forth guidelines and funding requirements for SFSU to provide full-day infant and toddler child-care services for children ages 6 months to 2 years old and provide child care and education services to preschoolers ages 3 to 5 years old. Project Staff and SFSU also negotiated a Grant Agreement under which the Authority would provide a grant to SFSU in an amount not to exceed \$57,195.50. Lastly, Project Staff and SFSU negotiated a new Sublease commencing on September 16, 2009 and terminating on December 31, 2009 for Building 502.

Upon SFSU's further review of the approved MOA, the Sublease and the Grant documents, SFSU was unable to meet the City and TIDA's terms for the Insurance and Indemnification requirements. Due to the need to facilitate SFSU's operation of the child development center, and the need to keep the facility open for business, TIHDI assumed portions of the MOA, the Sublease in whole, and was made the recipient of the Grant.



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To: Treasure Island Development Authority Board of Directors
From: Mirian Saez, Director of Island Operations
Date: October 9, 2009
Re: Use Permit and Film Permit Waivers and Reductions

The following waivers and reductions were granted for short-term Use Permits and Film Permits between September 4, 2009 and October 9, 2009

Waivers:

- Open4Business Productions – YBI Quarters 7 – August 15 – November 30, 2009
- Open4Business Productions - 1224 A & B Bayside – September 9 – 10, 2009
- Open4Business Productions – Avenue I and 8th Street – September 28 – October 2, 2009
- Open4Business Productions – Avenue I and 8th Street – October 9, 2009

Reductions:

None

2009 CALENDAR

Fri	11 Sep 09	Rehearsal	Side Lawn/Casa	Alicia/Eli	4pm	180	Lynn
Sat	12 Sep 09	Wedding	Chapel	Alicia Daily	4pm	180	
Sat	12 Sep 09	Wedding	Pavilion By the Bay	Alicia Daily/Eli	4pm		
Mon	14 Sep 09	Meeting	Casa de la Vista	Redevelopment	12am		
Wed	16 Sep 09	Meeting	Casa de la Vista	TIDA/Institute for Govt Excellence	11:00am	35	
Thurs	17 Sep 09	Meeting	Casa de la Vista	Teach for America	8:00 AM		
Fri	18 Sep 09	Meeting	Casa de la Vista	Teach for America	4pm		
Sat	19 Sep 09	Wedding	Casa de la Vista	Kevin O'Brien/Monique Taul	2pm	170	Buyout
Sun	20 Sep 09	Wedding	Casa de la Vista	Michael Gonzales & Rosa	5pm	180	Debbe
Sun	20 Sep 09	Ceremony	Casa/Side Lawn	Michael Gonzales & Rosa	2pm		
Mon	21 Sep 09	Meeting	Casa de la Vista	NAVY MEETING	9AM		
Fri	25 Sep 09				7pm		
Fri	25 Sep 09	Rehearsal	Chapel	Melissa Tom & Nicolas Lin	4pm	25	
Fri	25 Sep 09	Rehearsal	Casa/Side Lawn	Kristi Chauvin & Max Baker	4:00pm	25	
Sat	26 Sep 09	Wedding	Pavilion	Shikha & Upal's Wedding	1am	200	Steve
Sat	26 Sep 09	Wedding	Casa de la Vista	Kristi Chauvin & Max Baker	5pm		Steve
Sat	26 Sep 09	Wedding	Chapel	Melissa Tom & Nicolas Lin	4:30pm	270	Steve
Sat	26 Sep 09	Wedding	Library	Melissa Tom & Nicolas Lin	5:00pm	270	
Sun	27 Sep 09				11pm		
Sun	27 Sep 09						
Wed	30 Sep 09	Meeting	Casa De La Vista	SF Police Commission (Waive Fees)	4pm		
	October	TYPE	LOCATION	EVENT	START	END	GUESTS
Thurs	01 Oct 09	Delivery	Casa de la Vista	Daniela Benavides & Daniel			
Fri	02 Oct 09	Wedding	Casa de la Vista	Daniela Benavides & Daniel	5pm	1am	Nate
Sat	03 Oct 09	Wedding	Pavilion	Phyllis & Christopher	2:30 PM	125	180
Fri	02 Oct 09	Rehearsal	Chapel	Katie Miller & Matt DeClaire	5PM	1AM	Lynn
Sat	03 Oct 09	Wedding	Casa de la Vista	Katie Miller & Matt DeClaire	530pm	430pm	
Thur	08 Oct 09	Fundraiser	Casa de la Vista/Pavilion	TIHDI			
Thur	08 Oct 09	Fundraiser	Casa de la Vista/Pavilion	TIHDI	5pm	10pm	100
Fri	09 Oct 09	Set up	Chapel	Alzheimer's - set up	5pm	10pm	100
Fri	09 Oct 09	Set up	Library	Alzheimer's - set up	8am	6pm	
Fri	09 Oct 09	Wedding	Casa de la Vista	Laura Miyano & Luc Bellet	8am	6pm	
Sat	10 Oct 09	Wedding	Casa de la Vista	Sarah Touchstone/Tom Peterson	4pm	1am	150
Sat	10 Oct 09	Memory walk	Chapel	Alzheimer's Memory Walk	4pm	12am	150
Sat	10 Oct 09	Corporate	Pavilion	Lodi Wine Festival	5am	3pm	10,000
Sun	11 Oct 09	Festival	Pavilion	Lodi Wine Festival			300
							5,000

2009 CALENDAR

Sun	11 Oct 09	Festival	Great Lawn	Lodi Wine Festival			5,000
Sun	11 Oct 09	Ww	Library				
Mon -	13 Oct 09	Festival	Great Lawn	T1 Music Festival	8AM	12AM	10,000
Sat	10/17/2009 - 10/19	Festival	Great Lawn	T1 Music Festival	8AM	12AM	10,000
Fri	16 Oct 09	Set Up	Casa de la Vista	Set Up			
Sat	17 Oct 09	Wedding	Casa de la Vista	Jeanine Tofilio/Brian Donohue	6PM	12AM	120
Sat	17 Oct 09	Party	Building One	Stanford Medical School Prom	9pm	2am	300
Tue	20 Oct 09	Meeting	Casa de la Vista	Navy - RAB Meeting	4PM	9PM	50



TREASURE ISLAND DEVELOPMENT AUTHORITY

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BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
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WWW.SFGOV.ORG/TREASUREISLAND

NOTICE OF MEETING CANCELLATION

Please note that the October 6th meeting of the Treasure Island/ Yerba Buena Island Citizens Advisory Board (CAB) has been cancelled.

The next meeting is scheduled for November 3, 2009, at 6:00 at San Francisco City Hall, room 305. 1 Dr. Carlton B. Goodlett Pl, San Francisco, Ca, 94102

Please contact Andrea Bruss at (415)554-6661 with any questions.

MEETING AGENDAS AVAILABLE ON E-MAIL

If you would like to receive TICAB meeting agendas by e-mail, please send your name and e-mail address to TICAB@sfgov.org.

Disability Access

The Treasure/ Yerba Buena Island Citizen Advisory Board meets on Treasure Island in Building 442, City Hall, 1 Dr. Carlton Goodlett Place or at the San Francisco Redevelopment Agency. All buildings are accessible to persons using wheelchairs, and others with disabilities. For American Sign Language interpreters or use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please telephone 554-6789 or 274-0660 at least 48 hours before a meeting.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals.

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing devices.

The closest accessible BART is Civic Center, three blocks from the City Hall at the intersection of Market, Grove and Hyde Streets. Accessible MUNI lines serving this location are: #42 Downtown Loop, 9 San Bruno and the #71 Haight/Noriega. Accessible Muni Metro lines are J, K, L, M and N stopping at the Muni Metro Civic Center Station at Market and Van Ness. For more information about MUNI accessible services, call 923-6142. Accessible curbside parking is available on Grove Street.

TREASURE ISLAND WEBSITE

Check out the Treasure Island website at www.sfgov.org/treasureisland to find out about activities and facilities on Treasure Island, special events venues for rent, or to review the Treasure Island Development Authority's agendas and minutes.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Code 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94102, telephone (415) 581-2300, fax (415) 581-2317 and web site <http://www.sfgov.org/ethics/>.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine Ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance [Chapter 67 of the San Francisco Administrative Code] or to report a violation of the ordinance, contact Donna Hall by mail at Sunshine Ordinance Task Force at City Hall, Room 409, 1 Carlton B. Goodlett Place, San Francisco, CA 94102-4683. The Task Force's telephone and fax numbers are (415) 554-7724 and (415) 554-5163 (fax) or by email at Donna_Hall@sfgov.org. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org/bdsuprvs/sunshine/ordinance.



MEMORANDUM



To: Mirian Saez, Director of Operations, Treasure Island Development Authority

cc: Marc McDonald, TIDA
John Stewart, JSCo
Paula Schlunegger, JSCo

Suzanne Wood, Edison Capital
Loren Sanborn, JSCo
Lynny Lee, JSCo

Ned York, JSCo
Connie Le, JSCo
Jack Gardner, JSCo

From: Michael Smith-Heimer

Date: September 21, 2009 *MS*

Subject: Percentage Rent for Treasure Island Housing Project Sublease for August 2009

Enclosed is our payment of Percentage Rent in the amount of 491,988 for the August period, calculated per the sublease agreement. This figure is based on the accompanying attachments. You should note that these expenses include funding reserves as outlined in the sublease requirements including accrued funds to pay Possessory Interest charges of the property.

Calculation of Funds Available for Distribution

TIDA receives 95% revenues remaining after adjusting gross revenues by operating expenses, current accretion due and the repayment of ledger balances based on sublease specifications. Funds expended for replacement reserve eligible items are expensed in the period expenses are recognized. To the degree that these costs are reimbursed from the replacement reserve account, percentage rent will be adjusted in the period that the reserve draw is approved.

For the month of August 2009, Actual Total Revenues were above Budgeted Total Revenues by about 4% while Actual Total Operating Expenses were below Budgeted Total Operating Expenses by about 2.3% (due to lower replacements). The result was that Funds Available for Distribution were about 12.4% above budget.

Calculation of Percentage Rent

Based on operations, a total of 517,882 in adjusted Gross Revenues after costs of operations are available for distribution for the August period. These revenues are distributed as follows:

<u>August 2009 Distributions</u>	<u>Actual</u>	<u>Budgeted</u>
Available for Distribution	\$517,882	\$460,655
Percentage rent for TIDA	\$491,988	\$437,622
Percentage rent reimbursed to JSCo for Playground Construction	0	
Total percentage rent to TIDA	\$491,988	\$437,622
Percentage rent for JSCo	\$25,894	\$23,033

This percentage rent breakdown reflects the current year split by TIDA/JSCo. Beginning with April 2005 disbursements, TIDA receives 95% of revenues after expenses, while the John Stewart Company percentage is 5% of the amount.

COMPARISON TO BUDGET AUGUST 2009

	AUGUST			YEAR TO DATE		
	Actual	Budget	Variance %	Actual	Budget	Variance %
Total Revenue	1,061,303	1,016,781	44,522 4.38%	9,244,644	8,134,248	1,110,396 13.65%
Marketing	5,722	7,125	(1,403) -19.68%	49,517	57,000	(7,483) -13.13%
Administrative	78,831	77,117	1,714 2.22%	660,700	616,936	43,764 7.09%
Utilities	148,937	150,560	(1,623) -1.08%	1,183,473	1,204,480	(21,007) -1.74%
O&M (incl insurance expense)	147,306	144,628	2,678 1.85%	1,182,023	1,157,024	24,999 2.16%
Tax Ins (inc. community room and finance exp)	55,433	58,041	(2,608) -4.49%	434,550	464,328	(29,778) -6.41%
Rent	46,636	47,245	(609) -1.29%	371,868	377,960	(6,092) -1.61%
Reserves	11,560	11,560	0.00%	92,480	92,480	0.00%
Replacement (excl. anticipated draw)	48,995	59,850	(10,855) -18.14%	557,763	478,800	78,963 16.49%
Total Expenses	543,421	556,126	(12,705) -2.28%	4,532,374	4,449,008	83,366 1.87%
Prior Period Adjustments						
Available for Distribution	517,882	460,655	57,227 12.42%	4,712,270	3,685,240	1,027,030 27.87%
Available for Distribution	517,882	460,655	57,227 12.42%	4,712,270	3,685,240	1,027,030 27.87%
TIDA	491,988	437,622	54,366 12.42%	4,476,657	3,500,978	975,679 27.87%
JSCO	25,894	23,033	2,860 12.42%	235,614	184,262	51,351 27.87%

REVENUES AND OPERATING EXPENSES FROM OPERATIONS

[illegible]

[illegible]

Ent	Name	Acct No	Account Name	Invoice	Date	P.O. Num	Reference	Net
TRI00	Villages at Treasure	7141-000	% Rent - TIDA	Aug09 % Rent	9/22/2009		AUG09 % Rent	491,988.00

Payor: TREASURE ISLAND-RES.

Payee: Treasure Island Dvlpmnt Authority

Date

9/22/2009

Check No.

008908

Check Amount

491,988.00

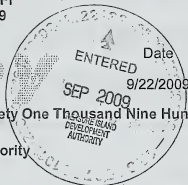
Retain this statement for your records

AP30205 (Rev. 01/08) www.cfb.com



TREASURE ISLAND-RES.
The John Stewart Company, Trustee
1388 Sutter Street, 11th Fl
San Francisco, CA 94109

WestAmerica Bank
90-4021/1211
Sausalito, CA 94965



Date

9/22/2009

Check No.

008908

Check Amount

\$491,988.00

Pay to the order of:

Treasure Island Dvlpmnt Authority
2nd Floor, Treasure Island
One Avenue of the Palms
San Francisco, CA 94130

VOID IF NOT CASHED WITHIN 180 DAYS OF ISSUANCE

Handwritten signature

RUB BLUE IMAGE SECURE AREAS TO SHOW THE WORD "VALID"

⑈08908⑈ ⑆121140218⑆ 0506928621⑈



Volume 1, Issue 8
October 2009

NEWS

This newsletter was prepared
By Good Neighbors of Treasure Island
and Yerba Buena Island
under consultation with:
Treasure Island Development Authority;
Mayor Gavin Newsom;
Owen Stephens, President,
Treasure Island Authority;
and Mirian Saez,
Director of Island Operations

INSIDE THIS ISSUE:

<i>October Calendar</i>	2
<i>Reading Volunteers</i>	2
<i>Wine Festival</i>	3
<i>Emergency Preparedness</i>	4
<i>Memory Walk</i>	4
<i>YMCA Update</i>	4
<i>Music Festival</i>	5
<i>Resident QOL</i>	5
<i>Pacific Unity</i>	6
<i>Computer Volunteers</i>	6

TREASURE ISLAND NEWS

DEADLINES AND CONDITIONS

- All submissions of articles, announcements, and calendar items must be submitted to the Editor-in-Chief prior to the 15th of the month of publication for consideration. Email

TreasureIslandNews
@comcast.net

- The editorial board reserves final rights for inclusion and exclusion.
- Acceptable formats are text submitted in Microsoft Word, PowerPoint, Publisher, JPEG or PDF.
- We encourage positive ideas, solutions and creative problem-solving for our communal challenges; we choose to build community rather than find blame.

NAVY CLEANUP PROGRAM UPDATE

By Jim Sullivan, Navy

The Navy and their contractors continue investigation and environmental cleanup at locations on Treasure Island.

Navy Open House on October 24

The Navy will host an Open House from 10:00 am to 2:00 pm on Saturday October 24 at the Shipshape Community Center on Treasure Island. The open house will provide an update on the Navy's cleanup in the Treasure Island housing area (Site 12) and other projects on Treasure Island. Everyone is welcome. Stop by anytime between 10:00am and 2:00pm to see the information tables and talk to Navy and contractor staff.

TI Housing Area (Site 12)

Soil excavation continues in the Westside Drive area, and is expected to continue through the end of 2009. Additional project updates will be provided at the October 20 RAB meeting and the October 24 Open House.

The Navy pilot study to treat arsenic in groundwater near the corner of Westside Drive and Gateview Avenue began in December 2008 with the installation of new monitoring and treatment wells. The Navy is planning to conduct additional investigation in the area in the next several months. Groundwater is not

used for drinking water at TI and YBI. All drinking water is supplied by pipeline from San Francisco.

Daycare Center (Site 30) and Former South Storage Yard (Site 31)

The Navy and the State of California completed signatures
(CONTINUED ON P. 3)



Pictured: Soil Excavation at Site 32 at the Northeast Corner of

RESIDENT ADVISORY

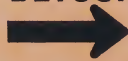
By Marianne Thompson

Starting September 28 through October 25, 2009 residents should expect traffic rerouting off Avenue of the Palms and off California Avenue in order to accommodate both the large private event near Hangar Three on the southeast side of the Island, and the Treasure Island Music Festival. MUNI

108 re-routing will also occur during October.



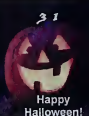
Please be aware of the posted signage indicating the detours when driving on-Island. The residential areas of the Island will remain accessible at all times, and the MUNI 108 line will still provide service to the residential areas 24 hours a day as usual.

DETOUR



If you have any questions, please contact Marianne Thompson at (415) 559-9026.

OCTOBER 2009

SUN	MON	TUE	WED	THU	FRI	SAT
Island Watch Meeting Friday - October 9, 7:00pm to 8:00 pm, Shipshape building -- Have a problem in your neighborhood? Become a part of the solution - come and meet others, discuss latest crime stats, and strategize.				1 Art of Pacific Unity See P. 6	2	3 
4 FULL MOON Memory Walk See P. 4	5	6 	7	 Bookmobile Every Thursday	9 Island Crime Watch 7pm-8pm Shipshape 9th & I Streets	10 Memory Walk See P. 4
11 Treasure Island Wine Festival See P. 3	12 Columbus Day Canadian Thanksgiving	13 	14 TIDA Board Meeting X TIME X PLACE	15 Bookmobile Every Thursday 10:30 to 4pm YMCA Parking Lot	16 	17 Music Festival See P. 5
NEW MOON Music Festival See P. 5	19	20 Navy RAB Meeting See P. 3	21 Bimonthly Community Meeting Shipshape X to X time	22 Bookmobile Every Thursday 10:30 to 4pm YMCA Parking Lot	23	24 Computer Training See P. 6 Navy Open House See P. 3
25	26 	27	28	29 Bookmobile Every Thursday 10:30 to 4pm YMCA Parking Lot	30 YMCA Halloween Party See P. 4	31  Happy Halloween!

TREASURE ISLAND READING GROUP NEEDS YOUR HELP

The September issue of Treasure Island News introduced you to Lee Davis and the Treasure Island Reading Group, a group of young people on the north end of the Island that get together to improve their reading skills and learn about new things. Ms. Davis is moving off the island and is looking for others to step into this purely voluntary role - if you are interested, please send an email to Good_Neighbors@TreasuresIslandOnline.net. The piece below is written by one of our young island residents....

The Ohlone Indians on Yerba Buena Island

The Indians that lived on Yerba Buena Island are the Ohlone Indians. They hunted animals like fish and rabbits. And they made boats called canoes. Canoes are made from tule reeds. The Ohlone spend their time mostly outside, but when they got cold, they wore rabbit skin blankets and stayed in their tule reed houses. Ohlone fathers and mothers loved their sons and daughters. The fathers would teach their sons how to hunt, and the mothers would teach their daughters how to cook food. I am in the 5th grade. I live on Treasure Island. I am proud to be an Ohlone and Miwok Indian. My name is Anthony Norton.

NAVY CLEANUP (CONTINUED)

on the Records of Decision/Remedial Action Plans (ROD/RAPs) on August 5. The signing of the ROD/RAP is a major milestone in the cleanup process that finalizes the cleanup decision.

For Site 30, the ROD/RAP cleanup decision is to establish land use controls. There is no risk to users of the daycare center. The Navy completed an earlier soil cleanup action in 2002/2003 around the building prior to the daycare center opening in 2003. The land use controls for Site 30 will protect current daycare center users by preventing contact with soil containing unknown concentrations of dioxins beneath the building foundation.

For the Site 31 South Storage Yard, which includes a portion of the south playground area of the former TI elementary school, the ROD/RAP cleanup decision is to conduct a soil removal beneath the existing asphalt pavement, and along one block of 11th Street. Fieldwork is expected to begin in December 2009 or January 2010.

Site 32 Former Training and Storage Area

The Navy is currently conducting soil abatement for polychlorinated biphenyls (PCBs) in this area located east of the wastewater treatment plant at the northeast corner of TI. Approximately 7,000 cubic yards of soil is being excavated and hauled off the island. Fieldwork is expected to be completed in November 2009.

Other Ongoing Cleanup Projects

There are two ongoing groundwater cleanup pilot projects; at Site 21 near the Youth Sailing Center at Pier 12, and at Site 24 on the east side of the island.

Upcoming Cleanup Projects

During 2010, the Navy also expects to perform a radiological screening and demolition of Building 233, located along Avenue M at 4th Street. Building 233 was a Navy training building and the site of a 1950 a vial of radium salts in a classroom.

Where You Can

Get More Information

Copies of documents are available for review at the Information Repository at: San Francisco Public Library, Government Publications Section, 100 Larkin Street, San Francisco, California, (415) 557-4400 and the Navy BRAC Caretaker Site Office, 410 Palm Avenue, Building 1, Room 161 on Treasure Island, phone (415) 743-4729. Select documents are also available on the Navy's website.

If you have any comments or questions, please contact

James Sullivan at (619) 532-0966 or send an email to james.b.sullivan2@navy.mil. You can also attend the bimonthly Restoration Advisory Board (RAB) meetings to get updates on Navy cleanup projects at TI and YBI. All RAB meetings are public meetings. Everyone is welcome! The next RAB meeting is **Tuesday October 20** at 7:00pm at the Casa de la Vista on the Avenue of the Palms. The Navy Restoration Advisory Board (RAB) Meetings are the third Tuesday of every second month (October and December 2009) at 7:00pm at the Casa de la Vista. These are the same months that the Community Meetings are held, (except in months where the first day of the month is a Wednesday) the Navy RAB and TIDA Community Meetings are in the same week.

Newsletters and Information Sheets will also be mailed out periodically by the Navy. Please visit the Navy website at www.bracpmo.navy.mil



TREASURE ISLAND *Wine Fest*

Lodi Wine on the Water

Featuring 40 wineries

Enjoy gourmet foods, fine wines, and live music.

Sunday, October 11, 2009

1:00pm to 5:00pm

during Fleet Week & Blue Angels Weekend

Pavilion by the Bay

Great Lawn ~ Treasure Island

**Lodi Wine Country is hosting
several fun wine seminars:**

- 1pm Learn Your Lodi "ABZ's" Trade & Media Exclusive
- 2pm The Perfect Pair - Lodi Wine and Fiscalini Cheese Pairing
- 3pm Lodi Rules - Focus on Sustainability
- 4pm Blockbuster Zins of Lodi

\$55 per ticket in advance

\$65 at the door

\$25 for designated drivers

For more information and to purchase tickets please visit: www.twinefest.com or call (209) 367-4727.

A portion of the proceeds from this event will benefit San Francisco Food Bank. Please join Lodi Wine Country, Wine Valley Catering, the Claremont Hotel, Treasure Island Development Authority and many other partners and sponsors for this event.



Only in San Francisco
THE OFFICIAL WINE & FOOD FESTIVAL OF SAN FRANCISCO



EMERGENCY PREPAREDNESS SURVEY

In any emergency or disaster, members of the community can be a valuable resource and asset throughout the response and recovery process. The Treasure Island Development Authority is working on an appropriate method to pre-identify community members with specific professional skills who may be of assistance to City response and recovery efforts on Treasure and Yerba Buena Islands.

Though all members of the community have abilities and skills to offer, TIDA is initially focusing this program on identifying certain occupations with direct relation to the Emergency Response functions of the City and County of San Francisco's emergency response operations.

If you have professional training or expertise and voluntarily wish to be contacted by TIDA staff for follow-up, please indicate your area of professional experience below and provide your name, daytime telephone number or email address where you can be contacted.

- ☐ City and County of San Francisco (CCSF) employee
- ☐ Medical and/or health professional
- ☐ Construction and/or building engineering
- ☐ Non-CCSF public safety employee
- ☐ Language other than English

☐ TI or YBI resident

Name: _____

Phone number:
(_____) _____

Email address: _____

Complete and return surveys to:
Peter Summerville
Treasure Island Development Authority
410 Avenue of the Palms
Building 1, 2nd Floor
San Francisco, CA 94130
(415) 274-0665 phone
(415) 274-0299 fax

ALZHEIMER'S ASSOCIATION MEMORY WALK 2009

**WE'RE ON THE
MOVE
TO END ALZHEIMER'S**



memory walkos
nationally presented by
Galen Weston & Partners

Start or Join a Team

Every 70 seconds, someone will develop Alzheimer's Disease. Memory Walk is the nation's largest event to raise awareness and funds for Alzheimer care, support and research – and it calls on people of all ages to take action in the fight. Year-round, our participants are involved in efforts to help defeat this devastating disease.

This year's walk will be on Saturday October 10, 2009 and there is a great need for volunteers both to help set-up on the 9th and help more on the 10th. For more information, visit:

<http://www.alz.org/norcal/>

To volunteer email mwvolunteer@alznorcal.org or call (650) 962-8111 ext. 1316 or call (925) 284-7942 ext. 1316.



YMCA UPDATE

Racquetball lessons available now at the YMCA! Want to learn the basics or play with other members? Sessions will be tailored around YOUR schedule! Contact Vicky Lee at (415) 765-9037 or email vlee@ymcasf.org.

Halloween Party



Celebrate Halloween at the Treasure Island Trick-or-Treat Party from 6:00pm to 10:00pm, Friday, October 30! Enjoy free food, games and more! Dress to compete for the Best Costume Award! Free to everyone, but children under 12 must be accompanied by an adult. The event will be held at the Treasure Island YMCA (9th Street and Avenue M). Contact Vicky Lee at (415) 765-9037 or vlee@ymcasf.org

TREASURE ISLAND MUSIC FESTIVAL

The Annual Treasure Island Music Festival is returning to the Island on October 17 and 18 for two days of music and fun. Hosted by **Noise Pop** and **Another Planet Entertainment**, this event presents a number of indie music artists and activities day and night. The festival is one of — if not THE — most successful events held on the Island each year. The sponsors have proven themselves to be good neighbors by taking into consideration noise and parking concerns of the residents.

For more information, visit: <http://www.treasureislandfestival.com/>



RESIDENT QUALITY OF LIFE IMPROVEMENT

In May 2009 some members of Good Neighbors of Treasure Island and Yerba Buena Island presented their concerns about crime and quality of life issues at a meeting of the Treasure Island Development Authority (TIDA). Specifically, we raised concerns about some of the housing programs and how problematic tenant behavior is dealt with.

Unbeknownst to Good Neighbors, the Community Housing Partnership (CHP) had already started looking into this issue earlier in the year and was working on addressing community concerns. Due to our presentation, along with additional concerns raised by TIDA, CHP escalated their implementation of new rules and processes on the Island.

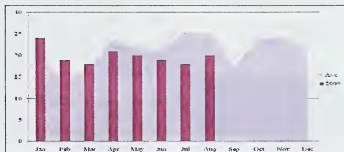
In September 2009, CHP presented the procedural changes they made and highlighted actions they are currently taking to mitigate the problems that were raised. Good Neighbors presented the following in support of the positive impact those changes are having:

Good Neighbors would like to congratulate the organizations that provide supportive housing on the Islands. The providers have made many improvements in dealing with problematic residents, crime in general, and increased communication and responsiveness between themselves, their tenants, the SFPD, JSCO, TIDA and Good Neighbors. They have responded to a tough situation and have produced concrete positive results.

Good Neighbors monitors the crimes, quality of life issues and police reports via:

- Monthly statistical report provided by police to the TIDA Board
- Online tools such as CrimeReports.com and SpotCrime.com
- Providing a safe place to hear unsolicited resident concerns
- Hosting a monthly Island Watch meeting

In this chart, the average number of crime reports made over the past three years is shown in the gray background. The columns represent this year's crime report. It shows a significant decline in crime.



For many years criticism has been leveled at housing providers for a perceived lack of ability and commitment to resolving crime and quality of life issues. From what we see in the report above and in the communications I have had with various providers, those days are over. Good Neighbors has received a number of comments that the quality of life on Treasure Island has improved over the past few months. We feel this progress is a direct result of this work and collaboration.

As a community we need to move forward. The work of greater cooperation and quality of life improvements is not finished. But I believe we are on sound footing and have turned a corner. **A good neighborhood does not happen by accident.** If you are having issues and would like to discuss how to address them, please come to any Island Watch Meeting on the second Friday of every month from 7pm to 8pm at the Shipshape Building (corner of 9th and I Streets).

Good Neighbors would like to thank Community Housing Partnership, Catholic Charities, Rubicon, and the board and staff of TIDA, including Mirian Saez, for hearing our community concerns and acting on them.

We're on the web!
www.TreasureIslandSF.org

How To SUBSCRIBE

For residents of the Villages,
send an email to:

villages@jso.net

with the subject "Email Notices Sign-Up," and include your name, address and contact information. Staff will first verify the information, and then send the latest community news.

For all other residents, agencies, staff and friends, please send your request to:

Good_Neighbors@comcast.net

Please encourage and tell your housemates and neighbors how to sign up.

Everyone is Welcome!
Next Quarterly Meeting



Next Quarterly Meeting in
December 2009
Time TBD
Location TBD
Call (415) 520-6653
for more information.

THE ART OF PACIFIC UNITY

THURSDAY EVENING
OCTOBER 1, 2009
7:00-8:30 PM
PRESIDIO OFFICER'S CLUB
50 MORAGA AVENUE
SAN FRANCISCO, CALIFORNIA

PRESENTED IN CONJUNCTION WITH
TREASURE ISLAND 1939:
SAN FRANCISCO'S PAGANT
OF THE PACIFIC EXHIBIT
ON VIEW AT THE PRESIDIO
OFFICER'S CLUB THROUGH
OCTOBER 18.
PRESENTED BY THE TREASURE ISLAND MUSEUM ASSOCIATION
AND TREASURE ISLAND DEVELOPMENT AUTHORITY

**THREE TALKS
ON THE ART AND
ARCHITECTURE OF
THE GOLDEN GATE
INTERNATIONAL
EXPOSITION**

FEATURING DIEGO RIVERA'S "PAN AMERICAN UNITY"
MIGUEL COVARRELLAS' "PACIFIC TRADE ROUTES"
ANTONIO SOTOMAYOR'S "PACIFIC BASIN FOUNTAIN"
RALPH STACKPOLE'S "PACIFIC" AND MORE
SPEAKERS INCLUDE ADDAMIA WILLIAMS,
WILL MARTINEZ, ANNE SCHIMMELBEIN

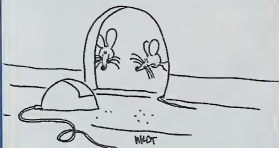
The exhibit and the evening presentation are free of charge.
<http://www.treasureislandmuseum.org> (650) 796-0020
<http://www.presidio.gov/calendar/treasure.htm> (415) 561-5444

COMPUTER VOLUNTEERS WANTED

You may not think you're a computer expert, but if you know your way around the internet, email and office productivity programs we could use your help! Community Technology Network (CTN) has partnered with Good Neighbors and TIHDI to recruit and train computer volunteers to teach computer classes, monitor the lab, or conduct one-on-one tutorials at the Shipshape. This training will help you understand that sharing your knowledge of the computer is easy and fulfilling.

Where Shipshape Building, 9th Street and Avenue I
When Saturday, October 24 from 11:00am to 1:00pm

Apply online:
http://www.surveymonkey.com/s.asp?sm=dH_2F2bWNNNoPPhoFeyMnVW_3d_3d
or send email to Good_Neighbors@comcast.net



"That must be the new neighbor.
I hear he's a real computer geek!"



Happy Hour Specials
3pm-6 pm, Monday-Friday



Come out and meet your neighbors!
Special T/Th Resident Happy Hour
Thursdays, 6:30pm-8pm

\$3.50 Well Drinks
Bucket of Beer Specials
~~buy 4 get the 5th for free~~
\$2.50 Beers & More!

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[OCSC Sailing Blog](#)

A weblog for San Francisco Bay sailors



Big Team Regatta Raises \$35,000 for Youth Sailing!

by David Lang



Rich Jepsen, CEO of OCSC SAILING & Jay Palace, CEO of GEL and Big Team Regatta Founder, with some of the young sailors from the Treasure Island Sailing Center.

The 2009 Big Team Regatta, a corporate sailing challenge to benefit youth sailing, was a huge success! 7 teams, numerous spectators and dedicated volunteers descended upon [OCSC SAILING](#) on Friday for the annual Big Team Regatta. The Regatta is always competitive and always a lot of fun! This year, the event raised over \$35,000 for the Treasure Island Youth & Adaptive Community Sailing Programs.

For more information or to learn how you and your company can participate in next years Big Team Regatta, visit the [Big Team Regatta Website](#).

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Feds, city haggle over cost of isle

By: [Mike Aldax](#)
Examiner Staff Writer
October 4, 2009

SAN FRANCISCO — How much The City will pay for Treasure Island has left plans to develop the former Navy base adrift.

For the island in the Bay to transform from federally owned land to a new environmentally friendly community, the land, which was last used by the U.S. Navy in 1997, must be deeded to The City.

However, the Navy is driving a hard bargain in these recessionary times. The debate over the man-made island is whether the land should be handed over to The City for free or if San Francisco should pay hundreds of millions of dollars up front to the government.

After more than a decade of planning, The City says it is ready to begin building one of the “greenest developments in the world” on the land, with new stores, office space, a hotel, a ferry terminal and at least 6,000 new homes.

But when the idea of a no-cost handoff was opposed by the Bush administration, The City decided to wait until President Barack Obama took office, hoping for a change in the tide.

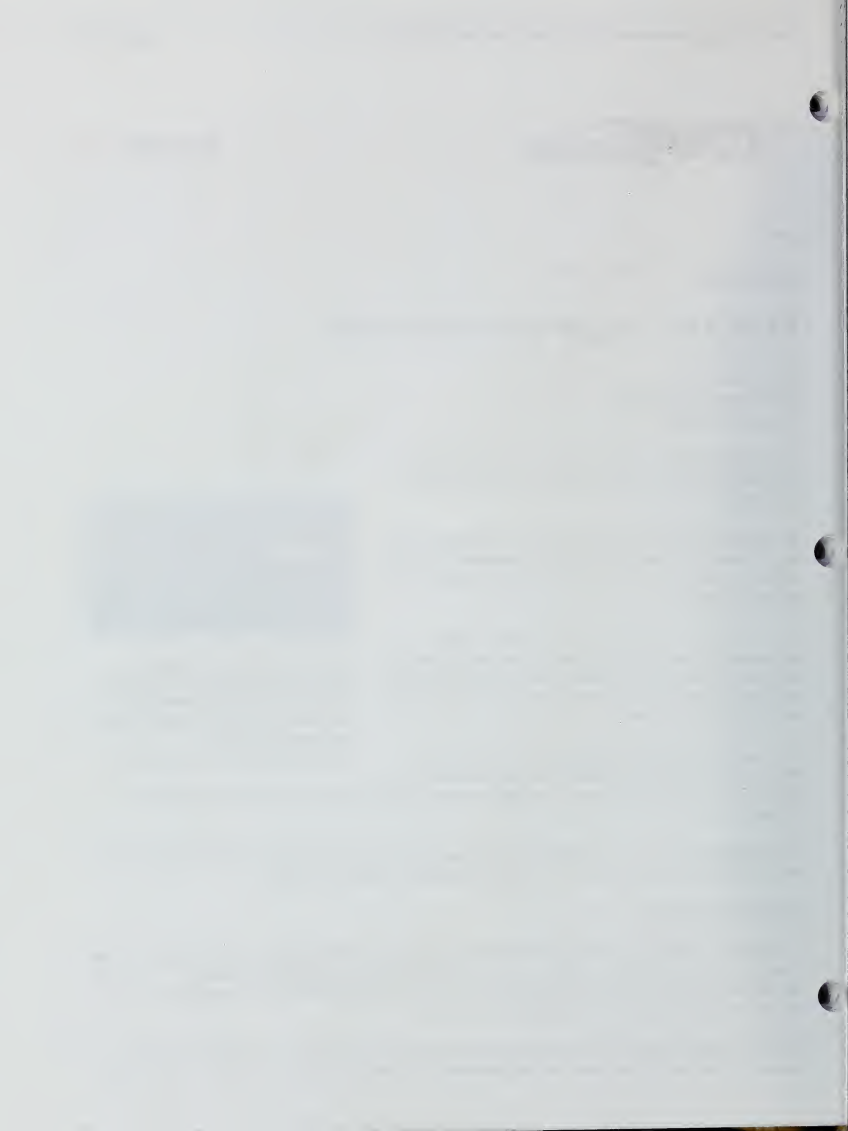
That has not happened.

“We thought we had big problems with the Bush Administration and the Navy because we couldn’t get a zero cost or no cost transfer of the property,” Mayor Gavin Newsom told The Examiner. “We thought that would change with the new administration, so we kind of delayed the last six months of the old administration until we got a new secretary of the Navy.”

The new administration does not support handing over for free Treasure Island or any of the other dozens of shuttered military bases around the nation, according to a recent letter from Dorothy Robyn,



Haggle rock: The City’s plans for Treasure Island include building new stores, offices, hotels, restaurants, entertainment venues, a marina and a ferry terminal. (Mike Koozmin/Special to The Examiner)



deputy undersecretary of defense for installations and the environment.

San Francisco officials, however, are confident there will be a deal before the end of the year.

“The Navy has committed to meeting that timeframe,” said Jack Sylvan, director of joint development for The City’s Office of Economic and Workforce Development.

Even if legislation in the 2010 national defense spending that would mandate giving away former military bases falls short, the Obama administration is committed to selling Treasure Island to The City at a cost both parties can agree upon, Sylvan said.

The Navy has wanted to sell the nearly one-square-mile island for hundreds of millions of dollars more than what The City says it is worth, Newsom said.

Newsom argues that while Treasure Island is certainly worth money, it lacks market value until “The City contributes hundreds of millions of dollars in infrastructure.”

The Mayor's Office pitched a compromise, suggesting a "back-end deal" that would allow The City to take the land for free or at minimal cost, and then pay the Navy back with money earned from the sale of properties after the development is finished.

Newsom is not holding his breath on that compromise. "They seem fixated on wanting up-front money," he said.

The Navy told The Examiner that it was in negotiations with San Francisco regarding a deal structure for handing over the land and could not comment further.

Plan has ex-president's backing

Former President Bill Clinton says he's going to make certain Treasure Island becomes one of the world's most environmentally friendly communities.

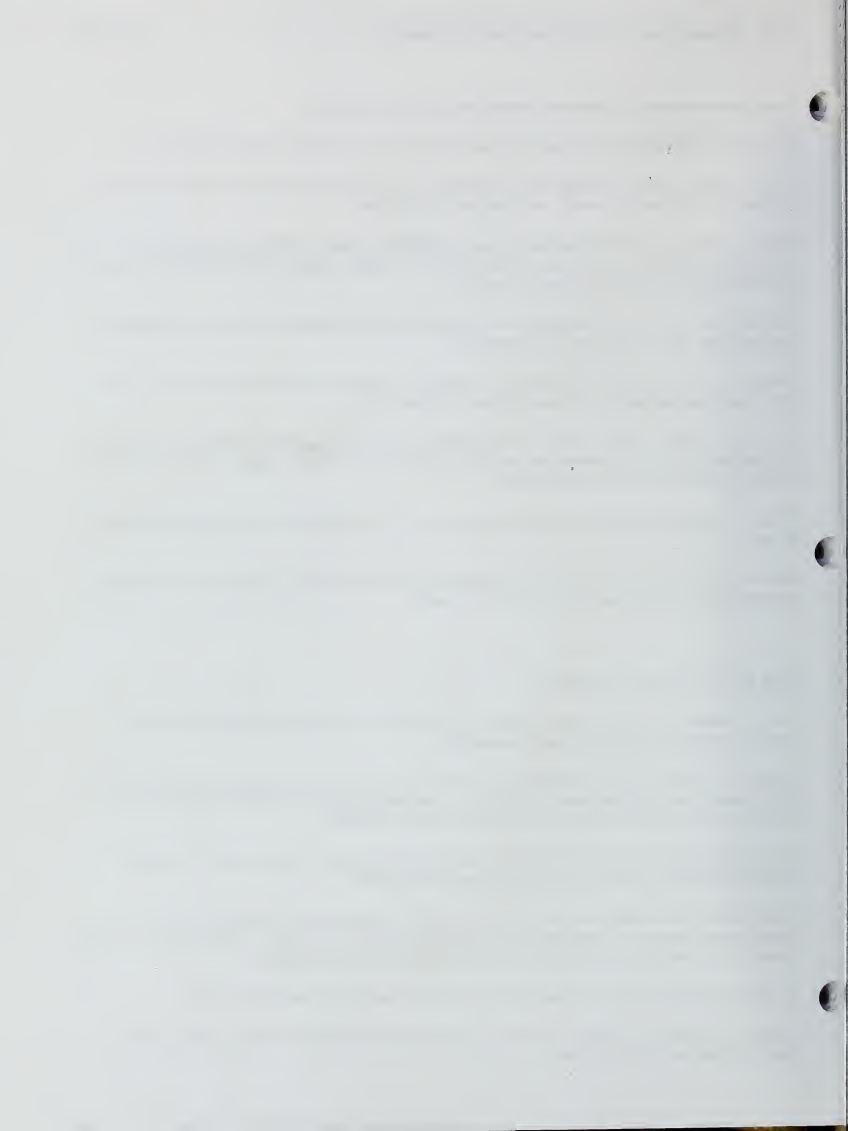
In May, the influential Clinton Foundation selected the island as one of 16 world locations where it will use its financial expertise and knowledge of U.S. Green Building Council standards to help The City turn the land into a beacon for environmentally friendly development.

Mayor Gavin Newsom, a friend of Clinton's, said the partnership was "another reason" the former president has endorsed the mayor's bid for governor of California.

Green building has certainly been the direction for Treasure Island. Its proposed 6,000 homes, three hotels, marina, stores and restaurants will be clustered around a ferry terminal, webbed together in a way that will make walking, biking and public transit the easiest way to get around.

That setup will free up space for nearly 300 acres of parks and open space, planners said.

The mayor has also used Clinton's policies as a former president for why the Navy should hand over Treasure Island to The City for free.



“You’ll read in Bill Clinton’s book what he wrote in 1992, one of his policies was to do this with all the old defense bases,” Newsom said. “It actually has a real sort of forensic history that this is what was supposed to be done. There’s a principle there that’s been advanced for decades.”

T.I. timeline

- Treasure Island built from fill dredged from bottom of Bay in 1936-37. It was built to host the 1939 Golden Gate International Exposition.
- In 1941, island leased to Department of the Navy.
- In 1941, the Navy gained title to island.
- After exposition, island was scheduled to become an airport until the Navy took over the land in exchange for property near Millbrae.
- Starting in late 1980s, island’s old aircraft hangars used as sound stages for film and television production
- In 1993, Congress decided to close Naval Station Treasure Island.
- In September 1997, the Navy ceased operations on the island and began the process of turning it over to The City. Part of the island was transferred to the Department of Labor for a job corps center, and a portion of Yerba Buena Island was transferred to the Coast Guard for continued operations.
- In early 2000, the Treasure Island Development Authority initiated a Master Developer selection process, culminating in the selection of Treasure Island Community Development LLC.
- Final environmental impact report published June 1, 2006, for the transfer and reuse of the naval station.
- In late 2006, a plan to redevelop the island was approved by the Board of Supervisors — which included 6,000 residential units, three hotels, a marina, restaurants, retail and entertainment venues — plus nearly 300 acres of parks and open space.
- In 2008, negotiations fail between The City and the Bush administration aimed at setting a purchase price.
- On Sept. 22, it was reported that President Barack Obama doesn’t support a proposal that would release Treasure Island or other defunct military sites to municipalities for free.
- Infrastructure work on development is expected to begin in 2011.
- By 2013, first homes on island scheduled to be ready for new dwellers.

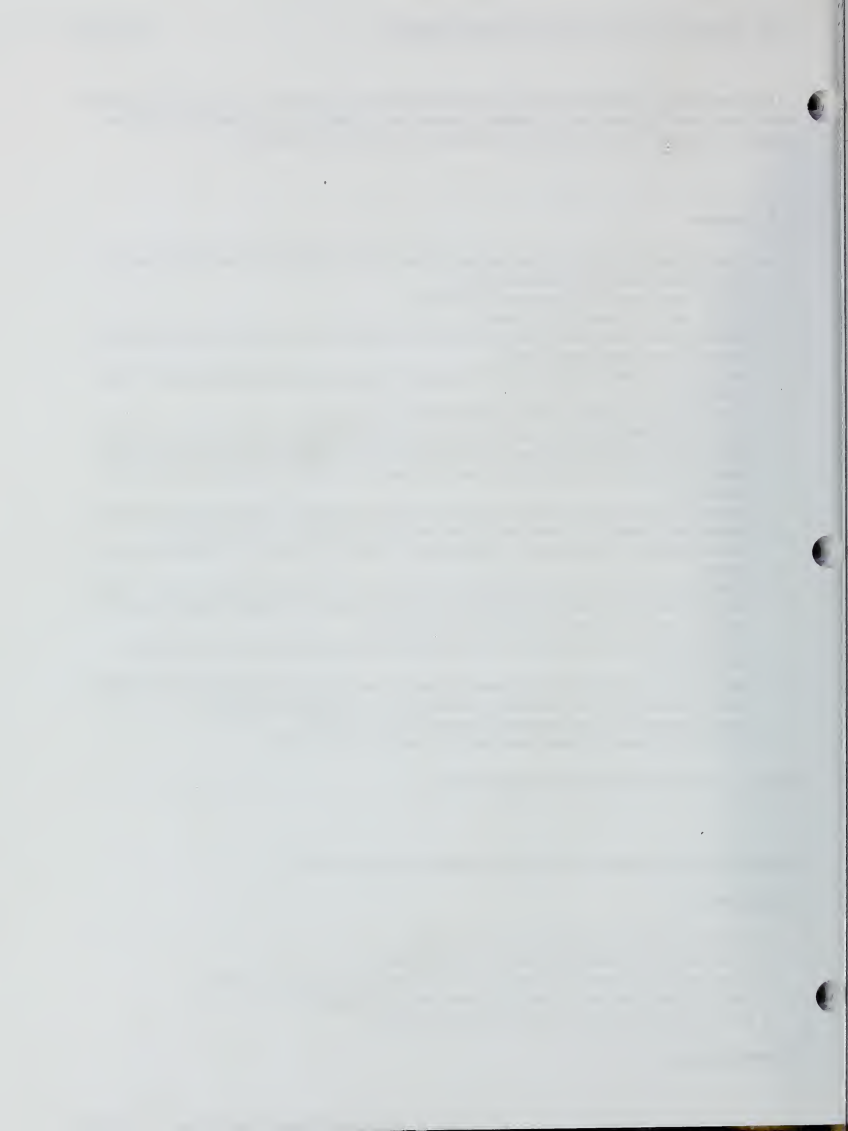
Sources: U.S. Navy, City and County of San Francisco

Plans for the development of Treasure Island have been made public

RESIDENTIAL

- 1,320 Units in four skyscrapers on Treasure Island*
- 1,740 Units in 14 residential towers on Treasure Island*
- 2,520 Apartments in four-story buildings on Treasure and Yerba Buena islands*
- 500 Timeshare, hotel and wellness spa rooms on Treasure Island
- 600 Townhouses on Treasure and Yerba Buena islands*

COMMERCIAL



- **135,000** Square feet of institutional space, including a school, police and fire departments and a sailing center
- **270,000** Square feet of stores, including restaurants and entertainment venues
- **325,000** Square feet of commercial space, including a ferry terminal, museum and parking

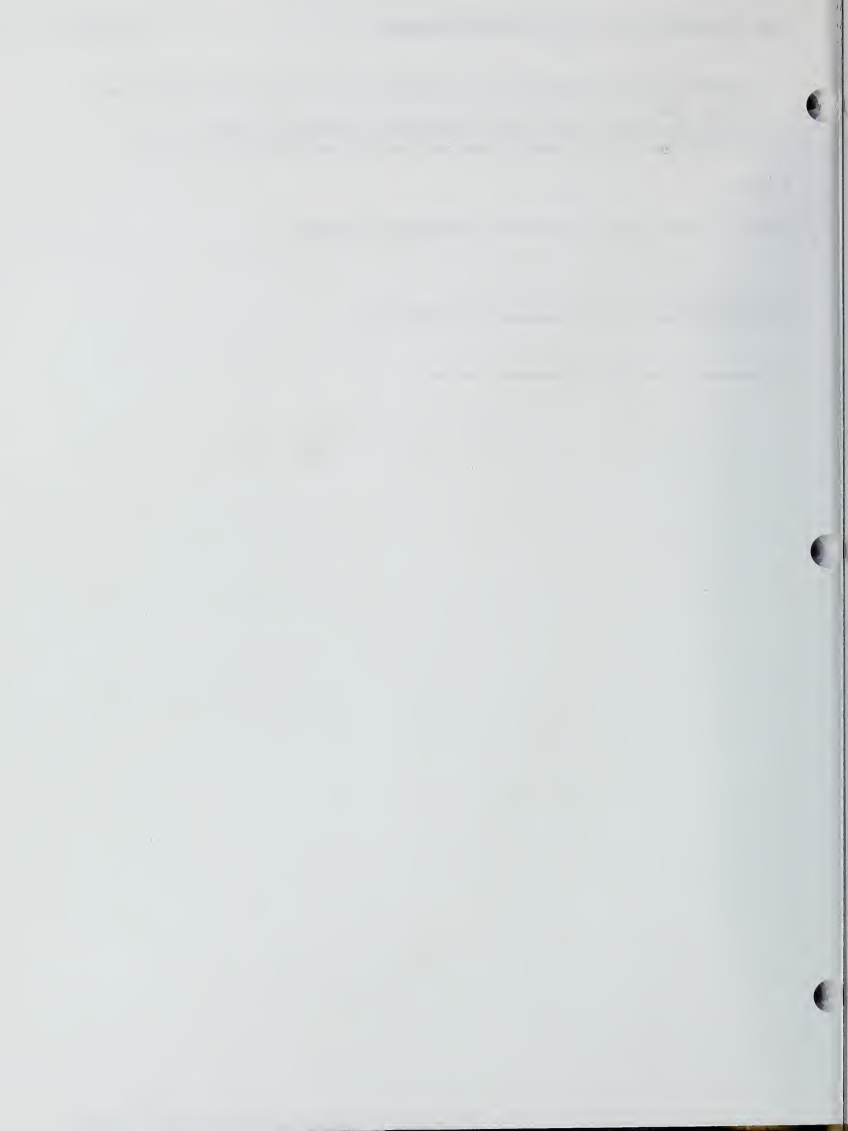
* *Minimum*

Source: San Francisco Office of Economic and Workforce Development

Find this article at:

<http://www.sfexaminer.com/local/Feds-city-haggle-over-cost-of-isle-63354327.html>

☐ Check the box to include the list of links referenced in the article.



Business

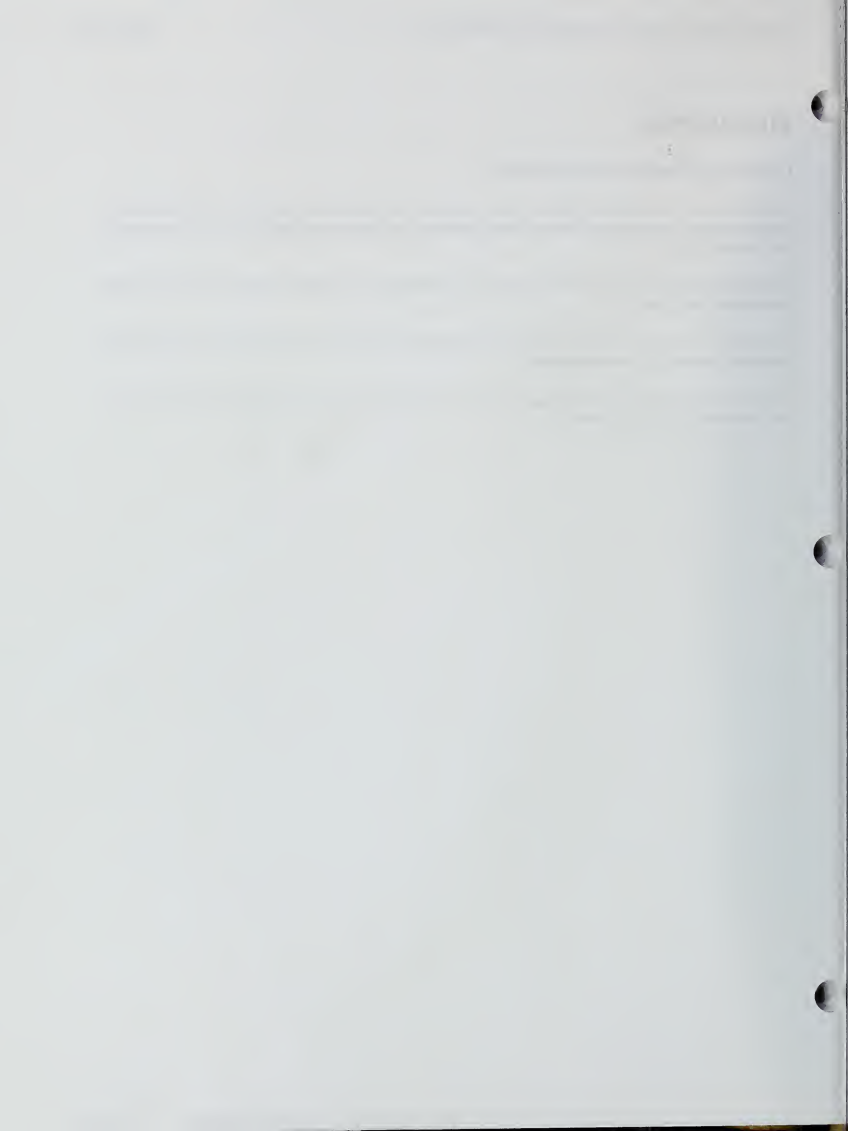
LODI AREA VINTNERS SLATE BAY FESTIVAL

Lodi area vintners and winegrape growers, hoping to expose more Bay Area consumers to the wide variety Lodi appellation wines, are sponsoring Treasure Island WineFest: Lodi Wine on the Water on Oct. 11 in the middle of San Francisco Bay.

Festival events coincide with the final day of Fleet Week activities, when the Navy's renowned Blue Angels flight team is expected to perform.

The event from 1 to 5 p.m. will offer tastings of Lodi appellation wines, hors d'oeuvres from Wine Valley Catering, educational seminars and live entertainment.

Tickets are \$55 in advance; \$65 at the door; and \$25 for designated drivers. For tickets or more information, visit www.tiwinfest.com or www.lodiwine.com



The New York Times

PRINTER-FRIENDLY FORM
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September 30, 2009

San Francisco Plan Promotes Urban Wind Power

By DEBRA KAHN of [Greenwire](#)

SAN FRANCISCO -- Mayor Gavin Newsom (D) unveiled plans yesterday for installing turbines on rooftops around the city, with a goal of commercializing small-scale wind power and bringing down the cost of renewable electricity.

The plans envision turbines on public and private buildings, as well as at Ocean Beach and Treasure Island. Newsom said demonstration turbines could be placed on the W Hotel, outside City Hall and on a new Public Utilities Commission building.

"We want to challenge the perception that wind is a rural or suburban phenomenon and not an urban resource," Newsom said. Small-scale wind power could contribute significantly to the city's goal of generating 50 megawatts of electricity from renewables by 2030, he said.

The [plan](#) (pdf) offers 29 recommendations for promoting turbines, including easing permitting costs and shortening approval times for turbine manufacturers and producing maps of wind potential highlighting neighborhoods and individual buildings.

"The key issues are siting, installation cost, permitting and wildlife," said Todd Pelman, CEO of turbine manufacturer Blue Green Pacific.

About 40 turbine manufacturers have been certified by the International Electrotechnical Commission, which certifies their models' qualifications for state rebates. The American Wind Energy Association and the Interstate Renewable Energy Council are working on a joint certification process that will start accepting applications later this fall for turbines under 65 kilowatts.

Consumers need more third-party evaluations to compare models, the report says. It recommends that manufacturers create information labels similar to the federal Energy Star program for appliances and adhere to the pending industry standards to ease certification.

Pelman said he was heartened by city officials' approach to permitting. "Even if we come up against any boundaries or barriers, everyone's on board to work through it," he said. Blue Green Pacific's 150-pound rooftop turbine, which generates a maximum of half a kilowatt, is already at three sites here, including the San Francisco Zoo.

The report recommends refunding manufacturers' permitting costs and studying small-scale turbines' effect on birds and bats, for which little information exists.

Newsom cautioned that it is too early to discuss financial incentives for wind projects on the municipal level,



but he said homeowners might be able to pay for their turbines through their property tax bills, a financing method first introduced by the city of Berkeley for solar installations.

[Click here](#) (pdf) to read the plan.

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For more news on energy and the environment, visit www.greenwire.com.

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SFGate.com

San Francisco pays for Oracle party tent

Phillip Matier, Andrew Ross

Wednesday, September 30, 2009



A scheduling snafu involving the big annual Oracle party and the TV show "Trauma" has wound up costing San Francisco \$270,000.

The mega mix-up revolves around the party that Oracle tosses for 22,000 select clients out on Treasure Island, which this year will feature rockers Aerosmith, Who front man **Roger Daltrey** and **Shooter Jennings** (son of **Waylon Jennings**).

For years, Oracle has rented out a big chunk of the eastern side of the island for its party, including an old airplane hangar. That was the plan for this year's Oct. 14 bash as well.

However, the city rented out the hangar to NBC's "Trauma," which, while filming in the city, has provided a number of people with jobs - including the mayor's actress wife, **Jennifer Siebel Newsom**.

Oracle - one of the biggest conventions of the year - found itself out in the cold.

Now, to keep everyone happy, the city is putting up a football-field-size tent on Treasure Island for the Oracle party. Cost: about \$270,000.

Mayor **Gavin Newsom**'s office didn't try to explain away the mix-up or defend the ensuing costs. The best the mayor's people could do was point out that the weeklong Oracle convention brings in an estimated \$100 million to the city, and "Trauma" brings in about \$3 million an episode.

"If **Donald Trump** can build a tent for **Moammar Khadafy**, surely our friends at Oracle deserve the same hospitality," said mayoral spokesman **Nathan Ballard**.

Sticker shock: One of the most popular perks in the Bay Area may be coming to an end.

State Sen. **Leland Yee**, D-San Francisco, is moving to change the regulations on the yellow "Access" stickers that have allowed 85,000 owners of small, hybrid cars - mostly Toyota Priuses - into carpool lanes even when they're not carrying passengers.

Yee's proposed regulations would increase the efficiency requirement for cars to 65 miles per gallon - about 20 mpg more than Priuses get.



The Mercury News

MercuryNews.com

Bay Bridge water leak repaired

Bay City News

Posted: 09/29/2009 12:21:01 PM PDT

Updated: 09/29/2009 04:19:51 PM PDT

SAN FRANCISCO — BCN27 -LEAKY MAIN
FIXED (UPDATE ON BCN24) BCN27 -LEAKY
MAIN FIXED (UPDATE ON BCN24)

SAN FRANCISCO (BCN)

San Francisco Public Utilities Commission crews this afternoon

repaired a 10-inch water main on the Bay Bridge that had been leaking water

onto the lower deck since this morning.

SFPUC spokesman Tony Winnicker said at about 1:30 p.m. that crews

had repaired two leaky pipe fittings on the main, which runs beneath the

upper deck of the bridge between San Francisco and Treasure Island.

The pipe supplies water to Treasure Island from San Francisco, but

Winnicker said Treasure Island has 3 million gallons of stored water and that

residents didn't see their water service affected.

The pipe began leaking sometime before 10 a.m., splashing water

down onto the left lane of the lower, eastbound deck. That lane, however, was

already closed to cars, minimizing the leak's impact on traffic, Winnicker

said.

Crews had planned to make a temporary fix before the evening

commute then follow up with permanent repairs later tonight, but Winnicker

said that turned out to be unnecessary.

"Two (leaks) in the same day is very unusual," Winnicker said.

"But it turned out to be a very easy fix."

Winnicker said the 60-year-old pipe was inspected over the Labor

Day weekend and appeared to be fine.

SAN FRANCISCO (BCN)

San Francisco Public Utilities Commission crews this afternoon

repaired a 10-inch water main on the Bay Bridge that had been leaking water

onto the lower deck since this morning.

SFPUC spokesman Tony Winnicker said at

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and many others

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SFGate.com**San Francisco tilts toward wind power**

Heather Knight, Chronicle Staff Writer

Tuesday, September 29, 2009

The two famous windmills in Golden Gate Park could soon have a lot of company as a broad array of city officials, business leaders and environmentalists push for streamlined, modern versions to spring up at famous spots all over the city.

Wind turbines could soon be built at Twin Peaks, Treasure Island, the Civic Center, Ocean Beach, the San Francisco Zoo, city parks and the airport as demonstration sites for how urban wind farms could help power San Francisco - and to educate residents in the hopes they'll put them on their rooftops.

The recommendations are part of a report to be released today after a yearlong study of the potential of urban wind power, The Chronicle has learned.

"We should absolutely harness the wind," said Assemblyman Tom Ammiano, who as a city supervisor in July 2008 joined Mayor Gavin Newsom in convening the urban wind power task force, which is publishing the report.

"Now if we could just harness the hot air that comes out of City Hall and the Capitol, we'll have an answer to global warming," Ammiano quipped.

The ideas proposed in the San Francisco study are intended to help the city reach its goal of being carbon neutral by 2030. While turbines are typically associated with farms and rural areas, cities like San Francisco are increasingly interested in using what is considered a cleaner energy generator.

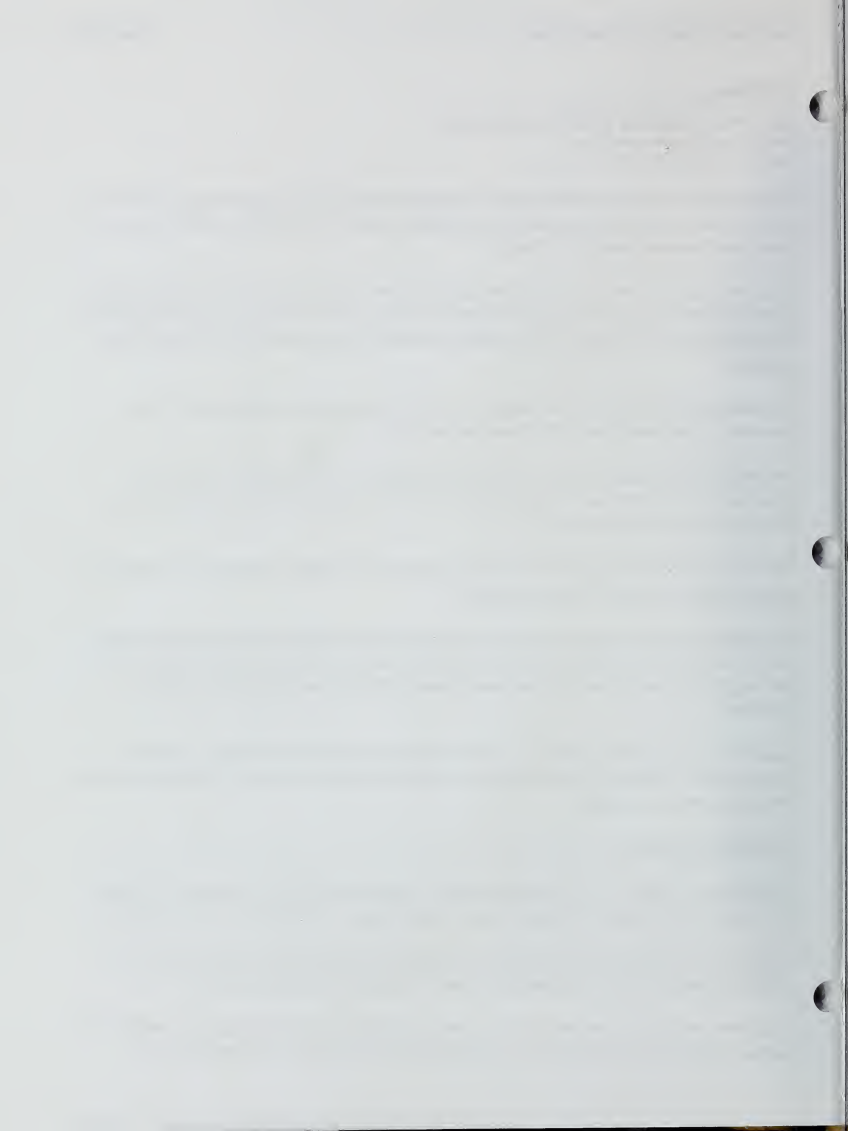
Boston's Logan Airport has turbines, and New York Mayor Michael Bloomberg has talked of installing them on skyscrapers. But task force members said they aren't aware of another city that's studied the idea in such detail.

Expanding wind power

San Francisco has just a few turbines now, but the 44-member task force - composed of leaders in the wind industry, environmentalists, business representatives and others - envisions a lot more.

To get there, it wants the city to develop a wind map of San Francisco to show where the wind's velocity, pressure, direction and turbulence would work best for installing turbines.

In addition, the group recommended the city partially offset the permitting costs for installing wind turbines, offer incentive programs for wind startups based in San Francisco, revise its green



building codes to require that future buildings have space for turbines, and look at revising zoning rules that govern height limits for the turbines.

Newsom plans to move forward quickly with many of the report's recommendations, some of which can be done through executive order.

"We want to build turbines wherever we can," said his spokesman, Nathan Ballard - noting an urban wind farm could someday grace City Hall itself.

Newsom, who has made his environmental initiatives as mayor a centerpiece of his run for governor, has often been criticized for his green ideas that sound intriguing, but are impractical.

For example, he held multiple press conferences to support submerging giant turbines under the Golden Gate Bridge to harness energy, even though studies say it's financially undoable. The idea has stalled.

But the urban wind idea seems to have more across-the-board acceptance.

Business support

"The technology needs to evolve and regulations need to evolve, but I think it's definitely viable," said John Rizzo, political chairman of the Sierra Club's Bay Area chapter, who has been a critic of Newsom's eco ideas in the past.

Todd Pelman, president of Blue Green Pacific, which manufactures wind turbines in the Bayview, served on the task force.

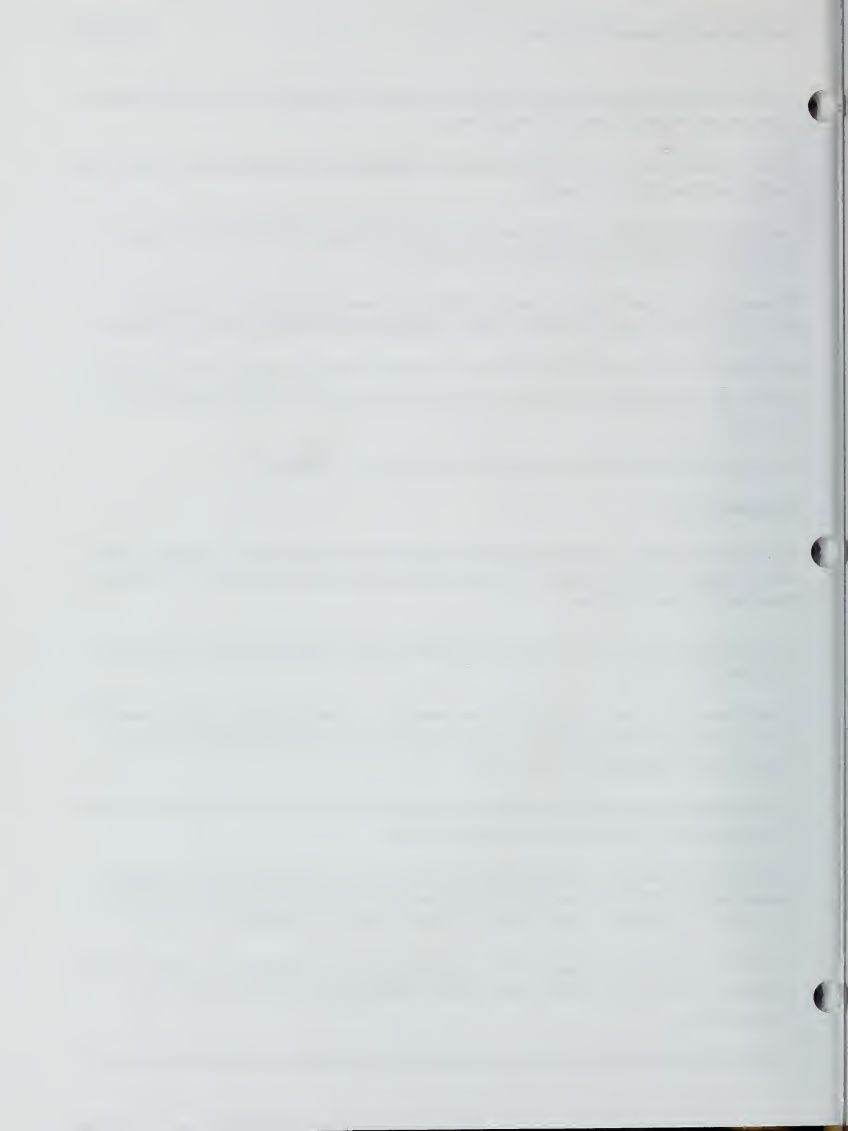
He said there's a long way to go in making the technology worthwhile for the average homeowner; right now, devices small enough to be installed on a home don't capture enough wind power to make the cost of roughly \$3,000 worthwhile.

"The fact that they even initiated this task force is probably the greatest value," he said. "It shows a desire and aptitude to progress this technology forward."

Another unlikely wind farm could soon appear in San Francisco: atop the W Hotel. Michael Pace, general manager of the hotel, served on the task force and is trying to get funding to help the hotel pay to install two or three rooftop turbines. He envisions leading tours for other businesses.

"The W is such an iconic building in San Francisco, it would have a lot of power from the marketing perspective," he said, adding that he doesn't believe wind power is one of those only-in-San Francisco ideas.

"I think wind is the next big thing, and we shouldn't be shy to stand up and say, 'We're going to be



first," he said.

E-mail Heather Knight at hknight@sfgate.com.

<http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/09/29/MNAO19U159.DTL>

This article appeared on page **A - 1** of the San Francisco Chronicle

SFGate.com

Bay Area delegates promote smart growth in D.C.

Andrew S. Ross

Sunday, September 27, 2009



A high-powered Bay Area delegation of developers, land use experts and architects will be in Washington, D.C., this week meeting with Obama administration officials and lawmakers. The mission: to "craft an effective, visionary, sustainable, green and enlightened Urban Agenda for America."

No, it's not just pie in the sky. Billions of dollars of stimulus funds are at stake, courtesy of an urban agenda outlined by President Obama, with the accent on "sustainability and equity."

"We're going to be offering ideas on how to structure and implement federal policies for smart growth development," said **George Broder**, a consultant on government affairs for the **Bay Area Council**, which is organizing the trip.

Many of the delegation's recommendations will be based on SB375, California's anti-urban-sprawl law signed in October, which requires linking the reduction in greenhouse gases to future development and transportation projects.

Michael Covarrubias, CEO of the San Francisco-based urban development company **TMG Partners**, is leading the delegation. Among its members is **Andy Ball**, CEO of San Francisco's **Webcor Builders**, one of the largest general contractors in the nation, and Bay Area Council CEO **Jim Wunderman**.

General policy is the chief subject of discussion, although some local projects could be touted as worthy examples - Pier 70 and Hunters Point Shipyard in San Francisco, Treasure Island's residential, commercial and retail development, the Oak to Ninth Street mixed-use project in Oakland, the closed Bay Meadows racetrack, and the \$1 billion-plus Moffett Field/NASA Ames Research Center development in Mountain View.

The 22-member delegation is scheduled to meet with the heads of the Environmental Protection Agency, Housing and Urban Development and the Transportation Department. It also will be urging administrators at giant mortgage lender Fannie Mae to loosen lending restrictions for multifamily housing, both rental and condominiums.

While this is not the first time the Bay Area Council has offered its thoughts on development matters to the feds, it might be the best, Covarrubias says. "We feel the timing is the most



opportune, from a political standpoint, in terms of capital availability, and the awareness of the need for these changes to occur. We're the most optimistic we've been."

All aboard: Hopefully some of these projects will bear fruit before California's high-speed trains get going in 2020. Whether they breeze in and out of the planned new Transbay Terminal at First and Mission streets - as many had assumed - is one of the numerous up-in-the-air questions to be resolved.

At a series of open houses, beginning this week, residents interested in the San Francisco-San Jose leg of the project are invited to have their say on all the options relating to routes and stations thrown at the wall by the **California High Speed Rail Authority**.

The first one takes place at 6 p.m. Wednesday at the **SamTrans** office in San Carlos. Similar open houses are scheduled for Sunnyvale and San Francisco next month.

More details at links.sfgate.com/ZIFQ.

Fleet Week still needs you: All those who pitched in their \$200 for a fundraising cruise around the bay Thursday night had a great time, I'm told. But the money raised for Fleet Week - \$11,300, not counting the final proceeds of the auctions and raffles - fell far short of the \$100,000 organizers are hoping to raise.

With traditional private donations falling off, this is the first time in the 28-year history of Fleet Week here that organizers have had to resort to additional fundraising.

The Support Fleet Week committee (www.supportfleetweek.com) meets next week "to brainstorm next steps," said **Tegan Firth**, a spokeswoman for **Hornblower Cruises & Events**, one of the fundraising organizers. Fleet Week is scheduled to begin Oct. 8.

Tweeting at twitter.com/andrewsross. Blogging at sfgate.com/columns/bottomline. Tips, feedback: E-mail bottomline@sfchronicle.com.

<http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/09/27/BUK219SF8U.DTL>

This article appeared on page **D - 1** of the San Francisco Chronicle





Local

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SHARE

Obama opposes Treasure Island giveaway

By: Katie Worth

September 22, 2009

President Barack Obama does not support a proposal that would release Treasure Island to The City for free, according to a letter from his administration.

A provision in a bill authorizing national defense funding in 2010 would have instructed the military to give away dozens of closed bases, including Treasure Island, to local governments at no cost.

The provision would finally bring to a close 13 years of negotiations between The City and the Navy regarding the island, which the Navy operated as a base until 1993. The provision has gained support from Republicans and Democrats in the House and Senate, including Speaker Nancy Pelosi, D-San Francisco.

But in a letter to senators who supported the provision, Dorothy Robyn, deputy undersecretary of defense for installations and the environment, said the Obama administration does not support the proposal.

Robyn said there are already provisos that allow the military to release land at no cost when it sees fit, but she said it's not be appropriate in every situation. She wrote that if the federal government gave away all unused military spaces, local redevelopment agencies could "flip valuable properties they obtain at no cost for profits that can be used for purposes unrelated to redevelopment of the property."

The provision "could create potential windfalls for certain communities with high value property, and for private sector developers working with those communities, at the expense of other communities where the Department of Defense might otherwise be able to accelerate environmental cleanup" using the proceeds from a sale, Robyn wrote.

According to Pelosi's press secretary, Drew Hammill, the provision "has strong bipartisan support" and would "ensure the creation of thousands of new jobs" in two dozen communities currently negotiating for closed military bases.

Michael Cohen, executive director of the San Francisco Mayor's Office of Economic and Workforce Development, has been negotiating with the Navy on behalf of The City. He said his office still supports the provision, which he described as "low-lying stimulus fruit" that would help bring jobs to the region.



Cohen denied that the provision would provide any kind of windfall for either The City or the developer, and he said it would instead help create jobs and finally bring to an end to a "13-year odyssey" to gain ownership of the island.

He said his team has continued to negotiate a price for the island and is "cautiously optimistic" that a figure will finally be pegged by the end of the year, even if the defense provision does not pass.

"We've been fighting for this because we think it's the right thing, we think it's a fight that's worth fighting, but we aren't putting all our eggs in one basket," Cohen said.

kworth@sfoxaminer.com

Find this article at:

<http://www.sfexaminer.com/local/Obama-opposes-base-giveaway-60518687.html>



Check the box to include the list of links referenced in the article.



SFGate.com

Livermore man IDd as truck-in-bay victim

Henry K. Lee, Chronicle Staff Writer

Saturday, September 19, 2009

(09-18) 09:36 PDT SAN FRANCISCO --

A man who died after driving his pickup truck into the bay off Treasure Island was identified by the medical examiner's office Friday as 43-year-old Paul Weller of Livermore.

Weller drove past the end of 13th Street at Avenue N and into the water at high speed about 1:40 p.m. Monday, a San Francisco Fire Department spokesman said.

There are rocks at the water's edge, but no barrier. The pickup came to rest in about 10 feet of water some 30 feet from shore.

Fire Department divers broke the truck's windows and pulled Weller from the vehicle about 2:10 p.m.

The cause of Weller's death and the manner in which he died are under investigation.

E-mail Henry K. Lee at hlee@sfchronicle.com.

<http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/09/19/BAQ019P60E.DTL>

This article appeared on page **C - 2** of the San Francisco Chronicle





AGENDA ITEM 6B
Treasure Island Development Authority
City and County of San Francisco
Meeting of October 14, 2009

Subject: Resolution Approving and Authorizing the Director of Island Operations to Execute Use Permit No. P-196 with The Safeway Foundation, Inc., a California nonprofit corporation, for the production of a fundraising event for the Safeway Foundation

Contact: Richard A. Rovetti, Deputy Director of Real Estate

Phone: 415-274-3365

BACKGROUND

In December 2008, the Treasure Island Development Authority (hereafter referred to as the "Authority") negotiated a Use Permit with The Safeway Foundation Inc. ("Safeway"), for the production of a sit-down dinner and gala event on Treasure Island. Over the past five years, Safeway has held this event on Treasure Island utilizing Hangar 3 and its parking lot. Approximately two thousand people attend Safeway's gala dinner and fundraising event.

The City and County of San Francisco, acting by and through its Film Commission (hereafter referred to as "Film Commission") entered into a month to month Sublease Agreement for certain real property located at Hanger Three commencing January 1, 2009 and expiring on August 31, 2009, for the production of the *Trauma* television pilot being filmed on location in San Francisco and Treasure Island. The network picked up the *Trauma* series so the Film Commission requested and the Authority approved an extension of the term of the Film Commission Sublease to November 30, 2009 to accommodate the filming of the first season of *Trauma* episodes. Authority staff notified Safeway that it was exercising its right to revoke its Use Permit in order to accommodate the production of *Trauma*. In September 2009, Authority Staff negotiated a new Use Permit with Safeway utilizing the Great Lawn instead of Hanger Three. The Premises will be provided at no fee in consideration of Safeway's willingness to relocate the venue on short notice to accommodate the Film Commission's Sublease for the production of *Trauma*, which is estimated to provide in excess of \$30 million in financial benefit to the City and an additional \$150,000 of sublease revenues to TIDA. As additional consideration, Safeway provides over \$6 million to nonprofits and schools within the City and County of San Francisco along with contributions to Rubicon represent fair market value for this Use Permit at this time. The value of the Permit Fee waived is \$23,000.

USE PERMIT TERMS AND CONDITIONS

Safeway will sign the Authority's standard form Use Permit document. The salient terms and conditions of the proposed Permit include the following:

- Premises:** That certain portion of the Property commonly known as the Great Lawn and portions of the parking area adjacent thereto.
- Term:** Commencement Date and Time:
November 2, 2009 at 6:00 AM
- Expiration Date and Time:
November 23, 2009 at 11:59 PM
- The event is scheduled to take place on November 14, 2009. All other days are to be used for set up and breakdown purposes only.
- Base Rent:** Waived. The Premises will be provided at no fee in consideration of Safeway's willingness to relocate the venue to accommodate the Film Commission's Sublease for the production of Trauma. The production of Trauma is estimated to bring a financial benefit of over \$30 million to the City and County of San Francisco economy and an additional \$150,000 of sublease revenue to the Authority.
- Use:** Production of a sit-down dinner and gala event for the Safeway Foundation and for no other purpose whatsoever.
- Security Deposit:** Eleven Thousand and Five Hundred Dollars (\$11,500)

FINANCIAL IMPACT

The removal of Hangar 3 as a venue for this event will result in a decrease to the Authority's Special Event Budget by \$32,000 in FY09-10. However, the overall revenue realized for the exchanges associated with Trauma exceeds \$150,000 to the commercial leasing budget projections.

RECOMMENDATION

The Authority Staff recommends that the Authority Board of Directors approve the proposed Use Permit with The Safeway Foundation, Inc., a California corporation, and authorize the Director of Island Operations or her designee to execute said Use Permit for the production of a sit-down dinner and gala event for the Safeway Foundation.

EXHIBIT A – Use Permit between the Authority and Safeway Foundation, Inc.

Prepared by: Richard A. Rovetti, Deputy Director of Real Estate
For: Mirian Saez, Director of Island Operations

[Use Permit with The Safeway Foundation, Inc.]

Resolution Approving and Authorizing the Director of Island Operations to Execute Use Permit No. P-196 with The Safeway Foundation, Inc., a California nonprofit corporation, for the production of a fundraising event for the Safeway Foundation.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America, acting by and through the Department of the Navy; and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco (the "City"); and,

WHEREAS, In December 2008, the Treasure Island Development Authority (hereafter referred to as the "Authority") negotiated a Use Permit with The Safeway Foundation Inc. ("Safeway"), for the production of a fundraising event on Treasure Island; and,

WHEREAS, Over the past five years, Safeway has held this event on Treasure Island utilizing Hangar 3 and its parking lot for the production of this fundraising event for approximately two thousand attendees; and,

WHEREAS, The City and County of San Francisco, acting by and through its Film Commission (hereafter referred to as "Film Commission"), entered into a month to month Sublease Agreement for certain real property located at Hanger Three commencing January

1, 2009 and expiring on August 31, 2009, for the production of the *Trauma* television pilot being filmed on location in San Francisco and Treasure Island; and,

WHEREAS, The network picked up the *Trauma* series so the Film Commission requested and the Authority approved an extension of the term of the Film Commission Sublease to November 30, 2009 to accommodate the filming of the first season of *Trauma* episodes; and,

WHEREAS, Authority staff notified Safeway that it was exercising its right to revoke its Use Permit in order to accommodate the production of *Trauma*, and in September 2009, Authority Staff and City representatives negotiated a new Use Permit with Safeway for the production of a fundraising event that excludes Hanger Three from the Premises; and,

WHEREAS, Although the Premises will be provided at no fee, Authority Staff believes the consideration of Safeway's willingness to relocate the venue on short notice to accommodate the Film Commission's Sublease for the production of *Trauma*, which is estimated to provide in excess of \$30 million in financial benefit to the City and an additional \$150,000 of sublease revenues to TIDA, and the significant benefits that the Safeway Foundation provides to the community, including but not limited to \$6 million provided to nonprofits and schools within the City and County of San Francisco along with contributions to Rubicon represent fair market value for this Use Permit at this time; now, therefore, be it

RESOLVED, That the Board of Directors hereby approves the Use Permit with The Safeway Foundation, Inc., a California corporation for use of the Great Lawn and portions of the parking area adjacent thereto for the purpose of producing a fundraising event on Treasure Island, and authorizes the Director of Island Operations or her designee to execute said Use Permit in substantially the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, That the Board of Directors hereby finds that (i) entering into the Use Permit will serve the goals of the Authority and the public interests of the City, and (ii) the terms and conditions of the Use Permit are economically reasonable; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations or her designee to enter into any additions, amendments or other modifications to the Use Permit that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Use Permit, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations or her designee of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on October 14, 2009.

Helen Nigg, Secretary



ITEM 6B, EXHIBIT A

USE PERMIT P-196

THIS USE PERMIT (this "Permit") dated for reference only as of September 22, 2009, is made by and between the Treasure Island Development Authority ("Authority") and The Safeway Foundation, Inc., a California corporation ("Permittee").

RECITALS

WHEREAS, pursuant to that certain Lease between the United States of America and Treasure Island Development Authority for South Waterfront Naval Station Treasure Island, and that certain Lease between the United States of America and Treasure Island Development Authority for Event Venues Naval Station Treasure Island (the "Master Leases"), by and between the Authority and the Department of Navy (the "Navy"), a copy of which is attached hereto as Exhibit A, the Authority has the right to use that certain property located on Naval Station Treasure Island (the "Property"), as more particularly described in the Master Lease; and

WHEREAS, Permittee seeks to use a portion of the Property for the purposes stated herein, subject to the terms and conditions of this Permit.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Authority and Permittee agree as follows:

1. Basic Permit Information

The following is a summary of the basic permit information (the "Basic Permit Information"). Each item below shall be deemed to incorporate all of the terms of this Permit pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of the Permit, the more specific provision shall control.

Authority:	TREASURE ISLAND DEVELOPMENT AUTHORITY, a California nonprofit public benefit corporation
Permittee:	THE SAFEWAY FOUNDATION, INC., a California corporation
Premises (Section 2):	That certain portion of the Property commonly known as the Great Lawn and portions of the parking area adjacent thereto, all as more particularly shown on <u>Exhibit B</u> , attached hereto.
Structural Report (Section 5):	None
Permitted Use (Section 6):	Production of a sit-down dinner and gala event for the Safeway Foundation and for no other purpose whatsoever.

Parking Rights (Section 7):

Up to five hundred (500) vehicles may be parked in the area designated for parking on Exhibit B, attached hereto

Permit Fees (Section 11):

Waived. The Premises will be provided at no fee in consideration of Safeway's willingness to relocate the venue to accommodate the Film Commission's Sublease for the production of Trauma. The production of Trauma is estimated to bring a financial benefit of over \$30 million to the City and County of San Francisco economy, and additional Sublease revenues to the Authority in the amount of \$150,000.

Term (Section 12):

Commencement Date and Time:

November 2, 2009 at 6:00 AM.

Expiration Date and Time:

November 23, 2009 at 11:59 PM.

The event is scheduled to take place on November 14, 2009. All other days are to be used for set up and breakdown purposes only.

Utilities (Section 19):

Not Applicable

Additional Permittee Requirements:

This Use Permit is issued subject to Permittee's compliance with the following requirements, subject to review by the Authority or the applicable City and County of San Francisco permitting departments:

- Approval by the San Francisco Police Department of a Transportation Management Plan addressing event traffic flow for arrival to and exit from Treasure Island; and of a Security Plan for the event. Reasonable and customary SF Police Officers needed for the event will be at the full cost of Permittee.
- Proof of issuance of all event-specific permits required by San Francisco Fire Department, Department of Building Inspection and Department of Public Health related to an Emergency Medical Plan, public assembly, temporary erection of tenting and other temporary structures, open flame, hazardous materials storage and food and beverage service. Reasonable and customary SFFD staffing needed for the event will be at the full cost of Permittee.
- Submittal to the Authority of a Waste Reduction Plan for the event, including proof of refuse service, a detailed recycling plan and/or proof of an event contract with an event recycling organization approved by the City and County of San Francisco's Department of the Environment.

Insurance Limits (Section 21):

Worker's Compensation Insurance - statutory amounts

Employers' Liability Coverage with limits of not less than \$1,000,000 for each accident or occurrence

Comprehensive or Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage

Comprehensive or Business Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage

Address for Notices (Section 26):

Authority:

Treasure Island Development Authority
410 Avenue of the Palms
Building 1, 2nd Floor
Treasure Island
San Francisco, CA 94130
Attn.: Director of Island Operations
Phone No.: (415) 274-0660
Fax No.: (415) 274-0299

Permittee:

The Safeway Foundation
5918 Stoneridge Mall Road
Pleasanton, CA 94588-3229
Attn: Barbara Koon, Executive Director
Phone: 925-467-3135
Fax: 925-467-2014

Security Deposit (Section 33):

Eleven Thousand and Five Hundred Dollars
(\$11,500)

2. License of Premises. Authority confers to Permittee a revocable, personal, non-exclusive and non-possessory license to enter upon and use the Premises described in the Basic Permit Information for the limited purpose and subject to the terms, conditions and restrictions set forth below.

This Permit does not constitute a grant to Permittee of any ownership, leasehold, easement or other property interest or estate in the Premises. Authority is acting only in its proprietary capacity in granting the license given to Permittee under this Permit. Permittee acknowledges that (i) such grant is effective only insofar as Authority's rights in the Premises; and (ii) Permittee must separately obtain all regulatory approvals of Authority, the City and County of San Francisco ("City") or any other applicable governmental entity necessary for the Permitted Uses. Permittee shall bear all costs or expenses of any kind in connection with its use of the Premises or any other Master Lease Property.

3. Inspection of Premises. Permittee represents and warrants that Permittee has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns, and each of them ("Permittee's Agents"), of the Premises and the suitability of the Premises for Permittee's intended use. Permittee is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses.

4. As Is; Disclaimer of Representations. Permittee acknowledges and agrees that the Premises are being licensed and accepted in their "AS IS, WITH ALL FAULTS" condition, without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties ("Laws"), governing the use, occupancy, management, operation and possession of the Premises. Without limiting the foregoing, this Permit is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Permittee

acknowledges and agrees that neither Authority nor any of its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns ("Authority's Agents") have made, and Authority hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or environmental condition of the Premises, (iii) the quality, nature or adequacy of any utilities serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the Premises if required for Permittee's use and permitted under this Permit, (v) the safety of the Premises, whether for the use of Permittee or any other person, including Permittee's Agents or Permittee's clients, customers, vendors, invitees, guests, members, licensees, assignees or permittees ("Permittee's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

5. Seismic Report and Structural Report. Without limiting Section 4 above, Permittee expressly acknowledges for itself and Permittee's Agents that it received and read that certain report dated August 1995, entitled "*Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions*," prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Permittee has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing. The Seismic Report, among other matters, describes the conditions of the soils on Treasure Island and points out that in the area of the Property where the Premises are located, an earthquake of magnitude 7 or greater is likely to cause the ground under and around the Premises to spread laterally to a distance of ten (10) or more feet and/or result in other risks. In that event, there is a significant risk that buildings and any other structures or improvements located on or about the Premises may fail structurally and collapse. Permittee further expressly acknowledges for itself and Permittee's Agents that it received and read that certain Structural Report identified in the Basic Permit Information, a copy of which is attached hereto as Exhibit D (the "Structural Report").

6. Use of Premises. Permittee may enter and use the Premises for the sole purpose described in the Basic Permit Information. Permittee shall not use, and Permittee shall prohibit Permittee's Agents and Permittee's Licensees from using, the Premises for any activities other than the Permitted Uses. Permittee agrees that, by way of example only and without limitation, the following uses of the Premises by Permittee, or any of Permittee's Agents or Permittee's Invitees, or any other person claiming by or through Permittee, are inconsistent with the limited purpose of this Permit and are strictly prohibited as provided below:

(a) Hazardous Material. Permittee shall not cause, nor shall Permittee allow any of Permittee's Agents or Permittee's Invitees to cause, any Hazardous Material (as defined below) to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises, or transported to or from the Premises without the prior written consent of Authority. Permittee shall immediately notify Authority when Permittee learns of, or has reason to believe that, a release of Hazardous Material has occurred in, on or about the Premises. Permittee shall further comply with all laws requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary to mitigate the release or minimize the spread of contamination. In the event that Permittee or Permittee's Agents or Permittee's Invitees cause a release of Hazardous Material, Permittee shall, without cost to Authority and in accordance with all laws and regulations, return the Premises to the condition immediately prior to the release. In connection therewith, Permittee shall afford Authority a full opportunity to participate in any discussion with governmental agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree or other

compromise proceeding involving Hazardous Material. For purposes hereof, "**Hazardous Material**" means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 *et seq.*, or pursuant to Section 25316 of the California Health & Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the Premises or are naturally occurring substances in the Premises, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids. The term "**release**" or "**threatened release**" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Premises.

(b) **Nuisances.** Permittee shall not conduct any activities on or about the Premises that constitute waste, nuisance or unreasonable annoyance (including, without limitation, emission of objectionable odors, noises or lights) to Authority, to the owners or occupants of neighboring property or to the public.

(c) **Damage.** Permittee shall not do anything about the Premises that could cause damage to the Premises or any Authority property.

7. **Parking.** Permittee shall be allowed to park up to the number of vehicles set forth in the Basic Permit Information in the area designated for parking on Exhibit B attached hereto. To the extent practicable, Permittee shall use its best efforts to encourage ride-sharing, the use of shuttle busses or other pooled-means of transportation to and from the Premises.

8. **Resource Conservation and Sustainability.** Authority is committed to managing the Premises in as sustainable a manner as possible. In addition to Permittee's compliance with the requirements of Section 32 below, Permittee shall use its best efforts to conduct its operations in accordance with sustainable practices and shall conduct its operations in accordance with all applicable environmental laws.

California State Bill, AB 2176 (Montanez, Chapter 879, Statutes of 2004) and the San Francisco Environment Code require all operators of large events to maximize recycling and minimize waste in order to achieve high rates of landfill diversion. If Permittee's use of the Premises will host over 1,000 people, Permittee shall comply with the following requirements not later than thirty (30) days prior to the scheduled event:

- A. Submit a recycling and waste reduction plan to the Treasure Island Event Coordinator.
- B. Provide proof of attendance at an event recycling workshop or hire an approved event recycling crew. Contact the SF Department of the Environment's recycling program at 355-3754 for more information on workshops and approved recycling services.
- C. Submit proof of recycling, trash and composting (if applicable) collection services. Proof of service can be obtained from the permitted refuse

hauler, Golden Gate Disposal and Recycling (www.sfreycling.com or 330-1300).

9. **Subject to Authority and City Uses.** Notwithstanding anything to the contrary in this Permit, Permittee's right to use the Premises hereunder shall be subject and subordinate to Authority and City's uses of the Premises for municipal purposes. In addition, Permittee acknowledges that the Property contains a variety of different event venues and outdoor public spaces and it is common for numerous events to be held at various venues on the Property on the same day.

10. **Alterations.** Except as otherwise expressly provided herein, Permittee shall not construct or place any temporary or permanent structures, improvements or signs in, on, under or about the Premises, nor shall Permittee make any alterations, installations or additions ("Alterations") to any of the existing structures, improvements or signs on the Premises, unless Permittee first obtains Authority's prior written consent, which Authority may give or withhold in its sole and absolute discretion. Subject to Authority's consent as provided above, any permitted Alterations shall be done at Permittee's sole expense (i) in strict accordance with plans and specifications approved in advance by Authority in writing, (ii) by duly licensed and bonded contractors approved by Authority, (iii) in a good and professional manner, (iv) in strict compliance with all applicable laws and regulations, and (v) subject to all other conditions that Authority may reasonably impose. Upon termination of this Permit, Permittee shall remove all Alterations constructed or affixed to the Premises by or on behalf of Permittee and repair, at its sole cost and expense, any damage to the Premises caused by the installation or removal of such Alterations.

Without limiting the generality of the foregoing, Permittee acknowledges and agrees that, pursuant to Section 15 of the Master Lease, no Alterations may be made to any improvements on the Premises (i) which will affect the historic characteristics of the improvements or modify the appearance of the exterior of the improvements without Navy's and Authority's prior written consent, or (ii) if such Alterations would preclude qualifying the improvements for inclusion on the National Register for Historic Places.

11. **Permit Fee.** Permittee shall pay to Authority a one-time non-refundable permit fee in the amount set forth in the Basic Permit Information for its use of the Premises as provided hereunder. Such fee is payable at such time as Permittee signs and delivers this Permit to Authority. Within five (5) days after demand therefor, Permittee shall pay all applicable City departments for the costs incurred by those departments in providing the use of City employees, equipment, property and facilities in connection with this Permit.

12. **Term of Permit; Revocability.** The privilege conferred to Permittee pursuant to this Permit shall commence on Commencement Date and Time set forth in the Basic Permit Information and shall automatically expire on the Expiration Date and Time set forth in the Basic Permit Information, unless amended in writing or sooner terminated or revoked pursuant to the terms hereof. Moreover, if the Master Lease terminates for any reason whatsoever, this Permit shall automatically terminate. Without limiting any of its rights hereunder, Authority may revoke this Permit at any time prior to the Expiration Date and Time, without cause and without any obligation to pay any consideration to Permittee.

13. **Compliance with Laws.** Permittee shall, at its expense, conduct and cause to be conducted all activities on the Premises allowed hereunder in a safe and reasonable manner and in compliance with all laws, regulations, ordinances and orders of any governmental or other regulatory entity (including, without limitation, the Americans with Disabilities Act) whether presently in effect or subsequently adopted and whether or not in the contemplation of the

parties. Such laws shall include, but are not limited to, local, state and federal laws prohibiting discrimination in employment and public accommodations and regulating the posting of signs on public property. Permittee shall, at its sole expense, procure and maintain in force at all times during its use of the Premises any and all business and other licenses or approvals necessary to conduct the activities allowed hereunder. Permittee understands and agrees that Authority is entering into this Permit in its capacity as a property owner with a proprietary interest in the Premises and not as a regulatory agency with police powers. Permittee further understands and agrees that no approval by Authority for purposes of this Permit shall be deemed to constitute approval of any federal, state, Authority or other local regulatory authority with jurisdiction, and nothing herein shall limit Permittee's obligation to obtain all such regulatory approvals at Permittee's sole cost or limit in any way Authority's exercise of its police powers. Without limiting the foregoing, before beginning any work in the Premises and/or using the Premises, Permittee at its sole cost and expense shall obtain any and all permits, licenses and approvals (collectively, "approvals") of all regulatory agencies and other third parties that are required to commence and complete the permitted work and use the Premises including, but not limited to, approvals required by the San Francisco Fire Department (e.g., General Assembly, Tent, Open Flame, Propane, etc.), the San Francisco Police Department (e.g., alcohol consumption and/or sales), the San Francisco Entertainment Commission (e.g., Loudspeaker, Itinerant Show, etc.), San Francisco Department of Building Inspection (e.g., electrical), the San Francisco Department of Health, and the California Department of Alcoholic Beverage Control (e.g., alcohol consumption and/or sales). Permittee shall provide copies of all such approvals to Authority prior to Permittee's use of the Premises.

14. Security. In addition to the Permit Fee described in Section 11 above, Permittee shall provide the security, police and medical support services described on Exhibit E, attached hereto, at its sole cost and expense.

15. Rules and Regulations. In connection with the Permittee's use hereunder, Permittee shall comply with the Rules and Regulations attached hereto as Exhibit F. Authority reserves the right, in its sole discretion, to change such Rules and Regulations as necessary to promote or protect the public safety, health or convenience. Authority shall give Permittee reasonable prior notice of such changes; provided, however, that no such prior notice shall be required in emergency situations.

16. Surrender; No Holding Over. Upon the expiration of this Permit, Permittee shall surrender the Premises in the same condition as received, free from hazards and clear of all debris. At such time, Permittee shall remove all of its property from the Premises permitted hereunder, and shall repair, at its cost, any damage to the Premises caused by such removal. Permittee's obligations under this Section shall survive any termination of this Permit.

If Permittee fails to surrender the Premises to Authority upon the expiration or earlier termination of this Permit as required by this Section, Permittee shall indemnify, protect, defend and hold harmless forever ("Indemnify") Authority against all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses") resulting therefrom, including, without limitation, Losses made by a succeeding permittee resulting from Permittee's failure to surrender the Premises. Permittee shall have no right to hold over without the prior written consent of Authority, which consent may be withheld in Permittee's sole and absolute discretion. If Permittee holds over the Premises or any part thereof after expiration or earlier termination of this Permit, such holding over shall be terminable upon written notice by Permittee, and the Permit Fee shall be increased to two hundred percent (200%) of the Permit Fee in effect immediately prior to such holding over, calculated on a per diem basis, and such holdover shall otherwise be on all the other terms

and conditions of this Permit. This Section shall not be construed as Authority's permission for Permittee to hold over. Acceptance of any holdover Permit Fee by Authority following expiration or termination of this Permit shall not constitute an extension or renewal of this Permit.

17. Repair of Damage. If requested by Authority, Permittee shall promptly, at its sole cost and expense, repair any and all damage to the Premises and any personal property located thereon caused by Permittee or Permittee's Agents or Invitees. Permittee shall obtain Authority's prior written approval of any party to be used by Permittee to conduct such repair work. Alternatively, Authority may make such repairs or behalf of Permittee at Permittee's sole cost and expense. If Permittee damages Authority or Navy facilities or any personal property, the final repair costs owed by Permittee shall be determined by Authority in its sole and absolute discretion, and shall be paid by Permittee within five (5) days after Permittee's demand therefor. Permittee's obligations under this Section shall survive the cancellation, expiration or termination of this Permit.

18. Public Safety. Permittee agrees to conduct the Permitted Uses at all times in a safe and prudent manner with full regard to the public safety and to observe all applicable regulations and requests of Authority and other government agencies responsible for public safety.

19. Utilities. Authority has no responsibility or liability of any kind with respect to any utilities that may be on, in or under the Premises. Permittee shall locate any such utilities and protect them from damage arising out of Permittee's activities. Permittee shall be solely responsible for arranging and paying for all utilities necessary in connection with the Permitted Uses as set forth in the Basic Permit Information. Any such payment shall be due and payable within five (5) days after demand therefor.

20. Release and Waiver of Claims; Indemnification

20.1. Release and Waiver of Claims. Permittee, on behalf of itself and Permittee's Agents, covenants and agrees that the Authority shall not be responsible for or liable to Permittee for, and, to the fullest extent allowed by any Laws, Permittee hereby waives all rights against the Authority and releases them from, any and all Losses, including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the buildings thereon due to an earthquake or subsidence, except only to the extent such Losses are caused exclusively by the gross negligence or willful misconduct of the Authority (except as provided in Section 20.1(a) below). Without limiting the generality of the foregoing:

(a) Without limiting any other waiver contained herein, Permittee on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Authority from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the Authority's decision to allow Permittee to use the Premises, regardless of whether or not such decision is or may be determined to be an act of gross negligence or willful misconduct of the Authority.

(b) Permittee covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Authority any claim, action or proceeding based upon any claims, demands, causes of action, obligations, damages, losses,

costs, expenses or liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this Section 20.1.

(c) In executing these waivers and releases, Permittee has not relied upon any representation or statement other than as expressly set forth herein.

(d) Permittee has made such investigation of the facts pertaining to these waivers and releases as it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Permittee regardless of any claims of mistake.

(e) In connection with the foregoing releases, Permittee acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

20.2. Acknowledgment. Permittee acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Permittee realizes and acknowledges that it has agreed upon this Permit in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Permit.

20.3. Permittee's Indemnity. Permittee, on behalf of itself and Permittee's Agents, shall Indemnify the Authority from and against any and all Losses, expressly including but not limited to, any Losses arising out of a partial or complete collapse of any building located on the Premises due to an earthquake or subsidence, incurred in connection with or arising directly or indirectly, in whole or in part, out of: (a) any damage to or destruction of any property owned by or in the custody of Permittee or Permittee's Agents or Permittee's Invitees; (b) any accident, injury to or death of a person, including, without limitation, Permittee's Agents and Permittee's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises; (c) any default by Permittee in the observation or performance of any of the terms, covenants or conditions of this Permit to be observed or performed on Permittee's part; (d) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Permittee, Permittee's Agents or Permittee's Invitees or any person or entity claiming through or under any of them, of the Premises or any Alterations; (e) the condition of the Premises; (f) any construction or other work undertaken by Permittee on or about the Premises whether before or during the Term of this Permit; or (g) any acts, omissions or negligence of Permittee, Permittee's Agents or Permittee's Invitees, or of any trespassers, in, on or about the Premises or any alterations; except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Permit and further except only to the extent such Losses are caused by the gross negligence and intentional wrongful acts and omissions of the Authority. Notwithstanding the foregoing, Permittee's obligations to indemnify the Authority under this Section 20.3 shall remain in full force and effect regardless of whether or not the Authority' decision to permit the Premises to the Permittee, given the seismic condition of the property, is or may be determined to be an act of gross negligence or willful misconduct of the Authority. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Authority's costs of investigating any Loss. Permittee specifically acknowledges and agrees that

it has an immediate and independent obligation to defend Authority from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Permittee by Authority and continues at all times thereafter. Permittee's obligations under this Section shall survive the expiration or sooner termination of this Permit. Notwithstanding anything contained herein, to the extent such Losses are not covered by insurance required herein and subject to this Section 20.3, Permittee shall have no obligation to repair, restore or reconstruct the Premises (or to pay for the same) in the event the Premises are damaged or destroyed by an earthquake or subsidence or by any other uninsured casualty.

21. INSURANCE

21.1. Permittee's Insurance. Permittee shall procure and maintain throughout the Term of this Permit and pay the cost thereof the following insurance:

(a) If Permittee has employees, Worker's Compensation Insurance in statutory amounts, with Employers' Liability Coverage with limits of not less than the amount set forth in the Basic Permit Information; and

(b) Comprehensive or Commercial General Liability Insurance with limits not less than the amount set forth in the Basic Permit Information, including coverage for Contractual Liability, Host Liquor Liability, Personal Injury, Advertising Liability, Independent Contractors, Explosion, Collapse and Underground (XCU), Broad Form Property Damage, Products Liability, Completed Operations and Sudden and Accidental Pollution; and

(c) Comprehensive or Business Automobile Liability Insurance with limits not less than the amount set forth in the Basic Permit Information, including coverage for owned, non-owned and hired automobiles, if applicable, which insurance shall be required if any automobiles or any other motor vehicles are operated in connection with Permittee's activity on, in and around the Premises; and

(d) Such other insurance as required by law or as the City's Risk Manager may require.

21.2. Claims Made Policy. Should any of the required insurance be provided under a claims-made form, Permittee shall maintain such coverage continuously throughout the term of this Permit, and, without lapse, for two (2) years beyond the expiration of this Permit, to the effect that, should occurrences during the Term give rise to claims made after expiration of this Permit, such claims shall be covered by such claims-made policies.

21.3. Annual Aggregate Limit. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be not less than double the occurrence limits specified above.

21.4. Additional Insureds. Liability policies shall be endorsed to name as additional insureds the "Treasure Island Development Authority, City and County of San Francisco, United States of America, acting by and through the Department of the Navy, and their officers, directors, employees and agents" (Insurance Certificate with Endorsement for such additional insureds).

21.5. Payment of Premiums. Permittee shall pay all the premiums for maintaining all required insurance.

21.6. Waiver of Subrogation Rights. Notwithstanding anything to the contrary contained herein, Authority and Permittee (each a "Waiving Party") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this Permit or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Premises; provided, the failure to obtain any such endorsement shall not affect the above waiver.

21.7. General Insurance Matters.

(a) All insurance policies shall be endorsed to provide thirty (30) days prior written notice of cancellation, non-renewal or reduction in coverage or limits to Authority at the address for Notices specified in the Basic Permit Information.

(b) All insurance policies shall be endorsed to provide that such insurance is primary to any other insurance available to the additional insureds with respect to claims covered under the policy and that insurance applies separately to each insured against whom claim is made or suit is brought, but the inclusion of more than one insured shall not operate to increase the insurer's limit of liability.

(c) Before commencement of activities under this Permit, certificates of insurance and brokers' endorsements, in form and with insurers acceptable to Authority, shall be furnished to Authority, along with complete copies of policies if requested by Authority.

(d) All insurance policies required to be maintained by Permittee hereunder shall be issued by an insurance company or companies reasonably acceptable to Authority with an AM Best rating of not less than A-VIII and authorized to do business in the State of California.

21.8. No Limitation on Indemnities. Permittee's compliance with the provisions of this Section shall in no way relieve or decrease Permittee's indemnification obligations herein or any of Permittee's other obligations or liabilities under this Permit.

21.9. Lapse of Insurance. Notwithstanding anything to the contrary in this Permit, Authority may elect in Authority's sole and absolute discretion to terminate this Permit upon the lapse of any required insurance coverage by written notice to Permittee.

21.10. Permittee's Personal Property. Permittee shall be responsible, at its expense, for separately insuring Permittee's Personal Property.

22. No Assignment. This Permit is personal to Permittee and shall not be assigned, conveyed or otherwise transferred by Permittee under any circumstances.

23. No Joint Venture or Partnership; Independent Contractor. This Permit does not create a partnership or joint venture between Authority and Permittee. Permittee shall be solely responsible for all matters relating to the payment of its employees, including, without limitation, compliance with any federal, state or local law and all other regulations governing such matters.

24. **Impossibility of Performance.** If, for any reason, an unforeseen event occurs which is beyond the control of Authority or Permittee, including, but not limited to, fire, casualty or labor strike, which event renders impossible the fulfillment of any term of this Permit, Permittee and Authority shall have no right to nor claim for damages against the other.

25. **Possessory Interest Taxes; Payment of Taxes.** Permittee recognizes and understands that this Permit may create a possessory interest subject to property taxation and that Permittee may be subject to the payment of property taxes levied on such interest under applicable law. Permittee agrees to pay taxes of any kind, including possessory interest taxes, if any, that may be lawfully assessed on Permittee's interest under this Permit or use of the Premises pursuant hereto and to pay any other taxes, excises, licenses, permit charges, possessory interest taxes, or assessments based on Permittee's usage of the Premises that may be imposed upon Permittee by applicable law.

26. **Notices.** Except as otherwise provided herein, any notices given under this Permit shall be addressed to the Authority and Permittee at the addresses set forth in the Basic Permit Information. Notice shall be deemed given (a) two (2) business days after the date when it is deposited with the U.S. Mail, if sent by first class or certified mail, (b) one (1) business day after the date when it is deposited with an overnight carrier, if next business day delivery is required, (c) upon the date personal delivery is made, or (d) upon the date when it is sent by facsimile, if the sender receives a facsimile report confirming such delivery has been successful and the sender mails a copy of such notice to the other party by U.S. first class mail on such date.

27. **MacBride Principles - Northern Ireland.** The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, *et seq.* The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Permittee acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

28. **Non-Discrimination.**

28.1 Covenant Not to Discriminate. In the performance of this Permit, Permittee covenants and agrees not to discriminate on the basis of any fact or perception of a person's race, color, creed, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, height, weight or acquired immune deficiency (AIDS) or HIV syndrome against any employee of, any City or Authority employee working with, or applicant for employment with, Permittee, in any of Permittee's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Permittee.

28.2 Subcontracts. Permittee shall include in all subcontracts relating to the Premises a non-discrimination clause applicable to such subcontractor in substantially the form of Section 28.1 above. In addition, Permittee shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Permittee's failure to comply with the obligations in this Section shall constitute a material breach of this Permit.

28.3 Non-Discrimination in Benefits. Permittee does not as of the date of this Permit and will not during the term of this Permit, in any of its operations in San Francisco or where the work is being performed for the City or elsewhere within the United States,

discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

28.4 Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the use of City property are incorporated in this Section by reference and made a part of this Permit as though fully set forth herein. Permittee shall comply fully with and be bound by all of the provisions that apply to this Permit under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Permittee understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of Fifty Dollars (\$50) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Permit may be assessed against Permittee and/or deducted from any payments due Permittee.

29. Tropical Hardwoods and Virgin Redwood. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product, except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code. Permittee agrees that, except as permitted by the application of Sections 802(b) and 803(b), Permittee shall not use or incorporate any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product in the performance of this Permit.

30. No Tobacco Advertising. Permittee acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of the Authority, including the property which is the subject of this Permit. This prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

31. Conflicts of Interest. Through its execution of this Permit, Permittee acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provision, and agrees that if Permittee becomes aware of any such fact during the term of this Permit, Permittee shall immediately notify Authority.

32. Food Service Waste Reduction. Permittee agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in the San Francisco Environment Code, Chapter 16, including the remedies provided, and implementing guidelines and rules. This ordinance prohibits the use of polystyrene foam disposable food service ware and requires the use of compostable or recyclable food service ware by anyone serving food in San Francisco. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Permit as though fully set forth. This provision is a material

term of this Permit. By entering into this Permit, Permittee agrees that if it breaches this provision, Authority will suffer actual damages that will be impractical or extremely difficult to determine; further, Permittee agrees that the sum of One Hundred Dollars (\$100.00) liquidated damages for the first breach, Two Hundred Dollars (\$200.00) liquidated damages for the second breach in the same year, and Five Hundred Dollars (\$500.00) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that Authority will incur based on the violation, established in light of the circumstances existing at the time this Permit was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by Authority because of Permittee's failure to comply with this provision.

33. Security Deposit. Permittee shall pay to Authority upon execution of this Permit a security deposit in the amount set forth in the Basic Permit Information as security for the faithful performance of all terms, covenants and conditions of this Permit. Permittee agrees that Authority may (but shall not be required to) apply the security deposit in whole or in part to remedy any damage to the Premises caused by Permittee, Permittee's Agents or Permittee's Invitees, or any failure of Permittee to perform any other terms, covenants or conditions contained in this Permit, without waiving any of Authority's other rights and remedies hereunder or at law or in equity. Authority's obligations with respect to the security deposit are solely that of debtor and not trustee. Authority shall not be required to keep the security deposit separate from its general funds, and Permittee shall not be entitled to any interest on such deposit. The amount of the security deposit shall not be deemed to limit Permittee's liability for the performance of any of its obligations under this Permit. To the extent that Authority is not entitled to retain or apply the security deposit pursuant to this Section 33, Authority shall return such security deposit to Permittee within forty-five (45) days of the termination of this Permit, or such longer period as is reasonably necessary for Authority to confirm Permittee's compliance with the requirements of this Permit.

34. Notification of Limitations on Contributions. Through its execution of this Permit, Permittee acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City or a state agency on whose board an appointee of a City elective officer serves, for the selling or leasing of any land or building to or from the City or a state agency on whose board an appointee of a City elective officer serves, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six (6) months after the date the contract is approved. Permittee acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Permittee further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Permittee's board of directors; Permittee's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Permittee; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Permittee. Additionally, Permittee acknowledges that Permittee must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

35. Intellectual Property; Music Broadcasting Rights. Permittee shall be solely responsible for obtaining any necessary clearances or permissions for the use of intellectual property, including, but not limited to musical or other performance rights. (Note to Permittee: To obtain the appropriate music performance license, you may contact the BMI Licensing

Executive toll free at 1-877-264-2137 Monday – Friday, 9-5 p.m. (Central Time) and the American Society of Composers, Authors and Publishers (“ASCAP”) at 1-800-505-4052 Monday – Friday, 9-5 p.m. (Eastern Time)).

36. General Provisions. (a) This Permit may be amended or modified only by a writing signed by Authority and Permittee. (b) No waiver by any party of any of the provisions of this Permit shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) This instrument (including the exhibit(s) hereto) contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. (d) The section and other headings of this Permit are for convenience of reference only and shall be disregarded in the interpretation of this Permit. (e) Time is of the essence. (f) This Permit shall be governed by California law. (g) If either party commences an action against the other or a dispute arises under this Permit, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Authority shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience. (h) If Permittee consists of more than one person then the obligations of each person shall be joint and several. (i) Permittee may not record this Permit or any memorandum hereof. (j) Subject to the prohibition against assignments or other transfers by Permittee hereunder, this Permit shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns. (k) Any sale or conveyance of the property burdened by this Permit by Authority shall automatically revoke this Permit. (l) This Permit may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

37. Original Permit. Authority and Permittee acknowledge and agree that the Original Permit has been revoked and terminated in its entirety and neither Authority nor Permittee shall have any rights, obligations or liability arising under or related to the Original Permit.

Permittee represents and warrants to Authority that it has read and understands the contents of this Permit and agrees to comply with and be bound by all of its provisions.

PERMITTEE:

THE SAFEWAY FOUNDATION, INC.,
a California corporation

By: _____

Name: Barbara Koon

Title: Executive Director

AUTHORITY:

TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____

Mirian Saez

Director of Island Operations

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By: _____

Deputy City Attorney



AGENDA ITEM 6C
Treasure Island Development Authority
City and County of San Francisco
Meeting of October 14, 2009

Subject: Resolution Approving and Authorizing the Execution of a Fifth Amendment to Sublease with the John Stewart Company to Discontinue Earthquake and Flood Insurance.

Contact: Richard A. Rovetti, Deputy Director of Real Estate

Phone: 415-274-3365

BACKGROUND

On March 17, 1999, the John Stewart Company ("JSCO") and the Treasure Island Development Authority (the "Authority") entered into a Sublease, Development, Marketing and Property Management Agreement (the "Sublease") for the development, marketing and property management of up to 766 housing units on Treasure Island and Yerba Buena Island (the "Premises"). The Sublease was first amended on August 15, 2000, to amend the Premises. On June 12, 2003, a Second Amendment to Sublease was executed to amend Phase 1 and 2 Premises, and the Rent Schedule. A Third Amendment to Sublease was executed on March 22, 2006, to extend the term of the Sublease on a month-to-month basis not to exceed the effective date of a disposition and development agreement between the Authority and a master developer for Treasure Island and Yerba Buena Island. On August 8, 2006, the Parties entered into the Fourth Amendment to increase residential utilities rates.

Under Sublease Section 25.1 (e), JSCO is required to provide Earthquake and Flood Insurance coverage totaling \$8,000,000 after a \$1,000,000 deductible per occurrence. The cost of this coverage is approximately \$276,000 annually. The Risk Manager for the City and County of San Francisco has reviewed the requirement that JSCO secure Earthquake and Flood Insurance for the Sublease Premises and concluded the current coverage would not be of use to the Authority given both the limited level of coverage and requirements to replace the structures that may sustain major damage. Given that the limit on the combined policies is only \$8,000,000 and the current values are in the \$54,000,000 range for 106 structures, recovery of a claim under the policy would have a small impact in the event of a catastrophic Earthquake or Flood loss. Additionally, in the event the Authority elects to repurpose the damaged properties located on public trust land instead of replacing them, that would constitute a waiver of claim under the policy, resulting in no recovery of funds.

Given these circumstances, continuation of the Earthquake and Flood Insurance coverage is not a cost-effective use of funds. Therefore, Project Staff recommends discontinuation of the coverage at a savings of \$276,000. All other required forms of coverage including Property Insurance and Commercial General Liability Insurance will not be affected by discontinuation of Earthquake and Flood Insurance.

BUDGET IMPACT

Discontinuation of Earthquake and Flood Insurance coverage will reduce the John Stewart Company Operating Expenses by \$268,000 dollars. The resulting increase in operating funds will be used for management of the residential properties. Any excess funds after operations will be distributed to the Authority and the John Stewart Company in accord with the terms and conditions of the Sublease.

RECOMMENDATION

The Authority Staff recommends that the Authority Board of Directors approve the proposed Fifth Amendment to the Sublease, Development, Marketing and Property Management Agreement between the Authority and the John Stewart Company, Inc., a California corporation, and authorize the Director of Island Operations or her designee to execute said Fifth Amendment to delete Section 25.1(e) Earthquake and Flood Insurance from the terms and conditions of the Sublease.

EXHIBIT A –Fifth Amendment to Sublease, Development, Marketing and Property Management Agreement between the Treasure Island Development Authority and the John Stewart Company, Inc., a California corporation

Prepared by: Richard A. Rovetti, Deputy Director of Real Estate
For: Mirian Saez, Director of Island Operations

(John Stewart Company Amendment to Sublease)

Resolution Approving and Authorizing the Execution of a Fifth Amendment to Sublease with the John Stewart Company to Discontinue Earthquake and Flood Insurance.

WHEREAS, Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the Base which are subject to the Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for Treasure Island in 1997; and,

WHEREAS, On March 17, 1999, The John Stewart Company ("JSCO") and the Authority entered into a Sublease, Development, Marketing and Property Management Agreement (the "Sublease") for the development, marketing and property management of up to 766 housing units, as shown on Exhibits B-1 and B-2 of the Original Sublease (the "Premises") at former Naval Station, Treasure Island, in San Francisco, California; and,

WHEREAS, The parties have entered into the following amendments to the Sublease: a First Amendment dated August 15, 2000, to amend the Premises; a Second Amendment dated June 12, 2003, to amend the Phase 1 and 2 Premises and the Rent Schedule; a Third Amendment dated March 22, 2006, to extend the term of the Sublease on a month-to-month basis not to exceed the effective date of a disposition and development agreement between the Authority and a master developer for Treasure Island and Yerba Buena Island; and a Fourth Amendment dated August 8, 2006, to increase residential utilities rates; and,

WHEREAS, Under Sublease Section 25.1 (e) of the Sublease, JSCO is required to provide Earthquake and Flood Insurance coverage totaling \$8,000,000 after a \$1,000,000 deductible per occurrence costing JSCO approximately \$276,000 annually; and,

WHEREAS, The Risk Manager for the City and County of San Francisco has reviewed the requirement that JSCO secure Earthquake and Flood Insurance for the Sublease Premises and concluded the current coverage would not be of use to the Authority given both the limited level of coverage and requirements to replace the structures that may sustain major damage, which may not be allowed due to the existence of the Tidelands Trust; now, therefore be it

RESOLVED, That the Board of Directors hereby approves the Fifth Amendment to the Sublease, Development, Marketing and Property Management Agreement between the Authority and the John Stewart Company, Inc., a California corporation, to delete the requirement that JSCO carry Earthquake and Flood Insurance, and authorizes the Director of

Island Operations or her designee to execute said Fifth Amendment to Sublease in substantially the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Director of Island Operations or her designee to enter into any additions, amendments or other modifications to the Fifth Amendment that the Director of Island Operations determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Fifth Amendment, such determination to be conclusively evidenced by the execution and delivery by the Director of Island Operations or her designee of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on October 14, 2009.

Helen Nigg, Secretary



ITEM 6C, EXHIBIT A

FIFTH AMENDMENT TO SUBLEASE, DEVELOPMENT, MARKETING AND PROPERTY MANAGEMENT AGREEMENT

THIS FIFTH AMENDMENT TO SUBLEASE, DEVELOPMENT, MARKETING AND PROPERTY MANAGEMENT AGREEMENT (this "Fifth Amendment"), dated for reference purposes only as of January 1, 2010, is by and between the **TREASURE ISLAND DEVELOPMENT AUTHORITY**, a California public benefit corporation ("Authority"), and the **JOHN STEWART COMPANY**, a California corporation ("Subtenant").

RECITALS

A. Sublandlord and Subtenant entered into that certain Sublease dated for reference purposes as of March 17, 1999 (the "Original Sublease"), for the development, marketing and property management of up to 766 housing units, as shown on Exhibits B-1 and B-2 of the Original Sublease (the "Premises") at former Naval Station, Treasure Island, in San Francisco, California. The Original Sublease was first amended on August 15, 2000, to amend the Premises. The Parties entered into the Second Amendment on June 12, 2003 to amend the Phase 1 Premises and the Phase 2 Premises, respectively, and amend the Rent Schedule. On March 22, 2006, the Parties entered into a Third Amendment to extend the term of the Sublease on a month-to-month basis not to exceed the effective date of a disposition and development agreement between the Authority and a master developer for Treasure and Yerba Buena Islands. The Parties entered into the Fourth Amendment on August 8, 2006 to increase residential utilities rates. The Original Sublease as amended by the First, Second, Third and Fourth Amendments are collectively referred to as the "Sublease." All capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Sublease.

B. Sublandlord and Subtenant desire to amend the Sublease to remove the requirement of providing Earthquake and Flood Insurance for the Premises.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the Sublandlord and Subtenant hereby amend the Sublease as follows:

AGREEMENT

1. **Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth herein.
2. **Effective Date.** The effective date of this Fifth Amendment shall be January 1, 2010 (the "Effective Date").
3. **Earthquake and Flood Insurance.** As of the Effective Date, Sublease Section 25.1(e) (Earthquake and Flood Insurance) is hereby deleted in its entirety.
4. **Counterparts.** This Fifth Amendment may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof.
5. **Full Force and Effect.** Except as specifically amended herein, the terms and conditions of the Sublease shall remain in full force and effect.

IN WITNESS WHEREOF, Sublandlord and Subtenant have executed this Fifth .
Amendment to Sublease at San Francisco, California, as of the date first above written.

SUBLANDLORD:

TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____
Mirian Saez
Director of Island Operations

SUBTENANT:

JOHN STEWART COMPANY, INC.
a California corporation

By: _____

Its: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney

Amendment Prepared By: Richard A. Rovetti, Deputy Director of Real Estate _____
(initial)

AGENDA ITEM 7
Treasure Island Development Authority
City and County of San Francisco
Meeting of October 14, 2009

Subject: Resolution Authorizing an Additional Six Month Extension of the Exclusive Negotiation Period and Required Completion Dates Under the Amended and Restated Exclusive Negotiating Agreement with Treasure Island Community Development, LLC for the Redevelopment of Former Naval Station Treasure Island (Action Item)

Contact: Jack Sylvan, Mayor's Office of Economic & Workforce Development

BACKGROUND

On April 9, 2003, after an almost 2-year public RFQ/RFP process soliciting a "master developer," the Authority approved entering into an Exclusive Negotiating Agreement (ENA) with Treasure Island Community Development, LLC (TICD) for the redevelopment of former Naval Station Treasure Island. Among other things, the ENA outlined the structure by which the Authority and TICD would engage in good-faith negotiations for the planning and development of the island over the term of the ENA. At its September 14, 2005 meeting, the Authority approved the Amended and Restated Exclusive Negotiating Agreement (Amended ENA) which extended the term of the agreement through June 30, 2008. On July 26, 2006, the Authority approved an amendment to the Schedule of Performance to adjust the milestone date for approval of a Term Sheet to December 31, 2006. And on March 12, 2008, the Authority approved a second amendment to the Amended and Restated ENA that extended the term of the agreement and the milestone dates of the Schedule of Performance.

The second amendment included language recognizing the uncertainty of the status of property transfer negotiations with the Navy and the relevance to the overall redevelopment planning schedule. It provided that if a term sheet was not reached with the Navy by December 31, 2008, that the ENA term and milestone dates in the Schedule of Performance would be extended a month for every month of delay in the term sheet with the Navy, with a maximum extension of six months.

A term sheet with the Navy was not reached by December 31, 2008 and minimal progress was able to be made between January and June 2009 because of the transition in personnel in the Department of Defense and Navy as a result of the changing federal administration. Transfer discussions were resumed in July with the new personnel at DOD and the Navy.

Meanwhile, redevelopment planning in partnership with TICD has moved forward at full speed on the environmental impact report, urban design guidelines, infrastructure and transportation planning, housing transition planning and all other aspects of the project.

PROPOSED EXTENSION OF THE TERM AND SCHEDULE OF PERFORMANCE

In recognition of the actual timeframe under which conversations with the DOD and Navy have progressed – including the quiet period while waiting for transition of administration appointees – staff is recommending an extension of the ENA term and milestones associated with delay in the term sheet with the Navy from six to twelve months. Effectively, each month or partial month of delay after December 31, 2008 in reaching a term sheet with the Navy would extend the ENA term and milestone dates by a month, up to a maximum of 12 months. This would extend the next milestone date in the ENA, publication of the Draft EIR to April 30, 2010 and the outside term of the ENA to December 31, 2010 if the Navy term sheet is not executed by December 31, 2009.

Extending the term and revising the Schedule of Performance in the Amended ENA is appropriate for the following reasons:

1. Substantial progress has been and continues to be made on the project plans, which have received overwhelming public support, and TICD continues to commit the necessary resources and negotiate in good faith with not just Authority staff, but also TIHDI, other City agencies and departments and the public.
2. The package of public benefits associated with the project that are at stake for the City is unprecedented in the City's history and merits moving forward to realize them.
3. The planning and negotiations are not costing the Authority a dollar. TICD reimburses the Authority for 100% of its redevelopment planning costs under the terms of the Amended ENA.

Any further revisions to the milestones, term or other material components of the Amended ENA would require approval by the Authority Board.

RECOMMENDATION

Staff recommends approval of the resolution extending the term and schedule of performance of the Amended ENA with TICD for up to an additional six months.

[Extension of Exclusive Negotiation Period and Required Completion Dates Under the Amended and Restated Exclusive Negotiating Agreement with Treasure Island Community Development, LLC]

Resolution Authorizing an Additional Six Month Extension of the Exclusive Negotiation Period and Required Completion Dates Under the Amended and Restated Exclusive Negotiating Agreement with Treasure Island Community Development, LLC.

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Treasure Island Development Authority (the "Authority") as a redevelopment agency under California redevelopment law with authority over former Naval Station Treasure Island (the "Base"), and (ii) with respect to those portions of the Base that are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested in the Authority the authority to administer the Tidelands Trust as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency with powers over Treasure Island in Resolution No. 43-98, dated February 6, 1998; and,

WHEREAS, Under the Act and the Authority's Articles of Incorporation and Bylaws, the Authority, acting by and through its Board of Directors, has the power, subject to applicable laws, to sell, lease, exchange, transfer, convey or otherwise grant an interest in or right to use or occupy all or any portion of the real property located on the Base; and,

WHEREAS, On April 9, 2003, the Authority Board approved the Exclusive Negotiating Agreement (the "Original ENA") with Treasure Island Community Development, LLC ("TICD"), which sets forth the terms and conditions under which the Authority and TICD are willing to negotiate (i) a disposition and development agreement and related ground leases and/or conveyance agreements, and (ii) other necessary transaction documents for the conveyance,

management and redevelopment of certain portions of the Base that are more particularly described in the Original ENA (the "Property"); and,

WHEREAS, On September 14, 2005, the Authority Board approved an Amended and Restated Exclusive Negotiating Agreement (the "Amended and Restated ENA") amending and restating the Original ENA in its entirety and including a Schedule of Performance; and,

WHEREAS, On July 26, 2006, the Authority Board approved an Amendment to the Schedule of Performance Set Forth in the Amended and Restated Exclusive Negotiating Agreement (the "First Amendment") that amended the Schedule of Performance; and,

WHEREAS, On March 12, 2008, the Authority Board approved a Second Amendment to Amended and Restated Exclusive Negotiating Agreement (the "Second Amendment") that, among other things, (i) further amended the Schedule of Performance and (ii) added a new Event #4 to the Schedule of Performance relating to the publication of the Draft Environmental Impact Report ("DEIR"); and,

WHEREAS, The Original ENA, the First Amendment and the Second Amendment are collectively referred to herein as the "ENA" and capitalized terms not defined herein shall have the meaning provided in the ENA; and,

WHEREAS, Section 5.4 of the ENA provides that if the Authority and the Navy do not execute a Term Sheet for the conveyance and transfer of the Property prior to or on December 31, 2008, then the Exclusive Negotiation Period and the Required Completion Dates for Schedule of Performance Event #2 (completion of final drafts of the Transaction Documents), Event #3 (approval of the Transaction Documents by the Authority Board and the Board of Supervisors) and Event #4 (publication of the DEIR) shall be automatically extended one (1) month for each month's or partial month's delay after December 31, 2008 in executing the Navy Term Sheet, not to exceed six (6) months unless extended by the Authority Board in its sole and absolute discretion; and,

WHEREAS, Notwithstanding the Authority's and TICD's diligent efforts to negotiate with the Navy, the Navy Term Sheet has not yet been executed and the Exclusive Negotiation Period and the Required Completion Dates for Event #2, Event #3 and Event # 4 of the Schedule of Performance have each been extended by the maximum six (6) months (the "Navy Extension Period"); and,

WHEREAS, In light of the further Navy delays, TICD has requested that the Authority Board approve a six (6) month extension of the Navy Extension Period for a total extension of up to twelve (12) months; Now, Therefore, Be It

RESOLVED, That the Authority Board hereby extends the Exclusive Negotiation Period and the Required Completion Dates for Schedule of Performance Event #2 (completion of final drafts of the Transaction Documents), Event #3 (approval of the Transaction Documents by the Authority Board and the Board of Supervisors) and Event #4 (publication of the DEIR) by one (1) month for each month's or partial month's delay after December 31, 2008 in executing the Navy Term Sheet, not to exceed twelve (12) months unless further extended by the Authority Board in its sole and absolute discretion; and, be it

FURTHER RESOLVED, That by granting such extension, the Authority Board shall not be deemed to have agreed to any other amendments to the ENA or waived any of its existing rights under the ENA.

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CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on October 14, 2009.

Helen Nigg, Secretary



AGENDA ITEM 8
Treasure Island Development Authority
City and County of San Francisco
Meeting of October 14, 2009

Subject: Resolution Authorizing a Second Amendment to the Memorandum of Agreement with the San Francisco County Transportation Authority for Project Management Services and Consultant Services in the Preparation of a Project Report, Environmental Document and Project Engineering for the Yerba Buena Island Ramps. (Action Item)

Contact Jack Sylvan, Mayor's Office of Economic and Workforce Development

BACKGROUND

Currently, there are six ramps connecting Yerba Buena Island (YBI) to the San Francisco-Oakland Bay Bridge (SFOBB): two ramps on the western side of the YBI tunnel – a westbound on-ramp and an eastbound off-ramp; and four ramps on the eastern side of the YBI tunnel – a westbound on-ramp, a westbound off-ramp, an eastbound on-ramp and an eastbound off-ramp (see Attachment A for an aerial photo of Yerba Buena Island). As outlined in Attachment B, the designs for the Eastern Span Seismic Safety Project of the Bay Bridge ("ESSSP") include one new, improved ramp from YBI onto the bridge in the eastbound direction. Caltrans' current plans are to reconnect the three other existing eastern ramps in their current configuration to the new ESSSP. These three existing ramps (YBI Ramps), which are not currently and will not be up to the ESSSP's lifeline status seismic standards and/or Caltrans' operational safety standards, are the subject of the proposed agreement. There are no plans to replace the western-side ramps.

Over the past several years, staff – working with the San Francisco County Transportation Authority (SFCTA), Caltrans, the Metropolitan Transportation Commission (MTC), the Bay Area Toll Authority (BATA), the Bay Area Toll Bridge Program Oversight Committee (TBPOC) and local elected officials – has made significant progress to advance the construction of new YBI Ramps that would provide safe, seismically sufficient ramp structures to the new ESSSP.

To facilitate the design and engineering process moving forward, in April 2008, TIDA authorized entering into an MOA with the SFCTA that supported (i) SFCTA staff project management oversight and (ii) contracting with an engineering and environmental consulting team to prepare the Project Report and Environmental Document (PR-ED). The SFCTA, in coordination with TIDA staff, selected AECOM as its contractor to conduct the engineering and environmental review. Pursuant to this structure, Authority staff, the SFCTA and the selected contractor initiated work on the PR-ED and environmental review in collaboration with Caltrans. In May 2009, the Authority authorized an amendment to the MOA with the SFCTA that enabled the project engineering and environmental review to stay on track with the schedule of the

ESSSP and funding strategy. That first amendment provided for additional scope of work needed to enable delivery of preliminary engineering of the YBI Ramps project to the 65% Design level on the Caltrans ESSSP schedule for contract bid of first quarter 2012. The budget was increased to a not-to-exceed amount of \$8.8 million.

DISCUSSION

Over the past several months, staff and the Authority have been in discussions with Caltrans on two distinct Cooperative Agreements necessary at this time to continue to advance the project. Each of the Cooperative Agreements are between the SFCTA and Caltrans, as is the desire and practice of Caltrans. The scope of work in the MOA will be adjusted to include the following agreements between Caltrans and the SFCTA.

Addendum to Caltrans Construction Contract for YBITS 1. The structure that the new ramps will connect to is referred to as the Yerba Buena Island Transition Structure (YBITS). Caltrans has issued a bid for a YBITS 1 contract and will be initiating construction in 2010. The current Caltrans designs do not include the steel and concrete necessary to connect the new westbound ramps. Caltrans will submit an addendum to the contract bid that will result in the appropriate structural improvements necessary to support the new ramps. The cost of those additional structural components is estimated at \$715,000.

State Oversight of SFCTA Project Development Work. As outlined in state legislation (SB 163, Leno), the SFCTA is acting as the lead agency for project design and environmental review and the SFCTA and its consultants are preparing all necessary engineering and environmental documentation and analysis. Caltrans also requires local agencies to reimburse Caltrans staff costs that are above and beyond typical oversight for a locally-led project. Because of the nature of the ramps connecting to a high-profile, lifeline seismic bridge structure, Caltrans is performing more than its typical oversight role. Consequently, staff and the SFCTA have negotiated a Cooperative Agreement with Caltrans and MTC/BATA that will reimburse Caltrans for up to \$750,000 of its oversight costs. Currently, those oversight costs are being funded by MTC/BATA and will continue to be funded via MTC/BATA until the project starts receiving federal funding for design and engineering.

Budget

The proposed amendment to the MOA retains the total not-to-exceed budget amount of \$8.8 million. Instead the budget generally replaces the scope and cost of PS&E work to get from the 35% to 65% designs (which will come at a later phase of the process) with the \$1.65 million associated with the Caltrans agreements. Staff will bring back for Authority approval a revised MOA with the SFCTA, that includes the complete scope of work, at a point in which the YBI Ramps project have become eligible for federal funding that would cover a major portion of the design and engineering costs. In exchange, the City would waive its ability to collect lost leasing revenue opportunities associated with the ESSSP. Currently, Caltrans and MTC/BATA are working with Authority and SFCTA staff to confirm that the project will be eligible for FHWA's Highway Bridge Program (also known as the Highway Bridge Repair and Retrofit program),

which would fund 88.5 percent of all design, environmental, engineering and construction costs of the project.

RECOMMENDATION

Staff recommends approving the Second Amendment to the MOA with the SFCTA in order to move forward the design, engineering and environmental review for the YBI Ramps in coordination with Caltrans in order to facilitate efficiencies in timing of construction with the ESSSP and state and federal funding opportunities.

EXHIBITS

A Second Amendment to Memorandum of Agreement



[Second Amendment to Agreement with the San Francisco County Transportation Authority for Project Management Services and Consultant Services for the Preparation of a Project Report and Environmental Document for the Yerba Buena Island Ramps.]

Resolution Authorizing a Second Amendment to the Memorandum of Agreement with the San Francisco County Transportation Authority for Project Management Services and Consultant Services for the Preparation of a Project Report and Environmental Document for the Yerba Buena Island Ramps in an Amount Not to Exceed \$8,800,000.

WHEREAS, Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, Treasure Island was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, In 1995, the General Services Administration and the Bureau of Land Management determined that Yerba Buena Island was surplus to the Federal Government's needs and could be transferred to the administrative jurisdiction of the Department of Defense under the Base Closure and Realignment Act of 1990 and disposed of together with Treasure Island; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority ("TIDA") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated TIDA as a redevelopment agency under California Community Redevelopment Law (Sections 33000 et seq. of the Health and Safety Code) with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to Tidelands Trust, vested in TIDA the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of TIDA as a redevelopment agency for Treasure Island in 1998; and,

WHEREAS, The United States Navy currently owns the on- and off-ramp connections to Yerba Buena Island from Interstate 80, the San Francisco-Oakland Bay Bridge, and, because Federal law prohibits the Navy from "improving" surplus property, the Navy cannot repair or replace the ramps as part of the transfer of the Base property to TIDA; and,

WHEREAS, Current State designs for the new Eastern Span of the Bay Bridge ("Eastern Span") include construction of one new ramp connecting the Bay Bridge to Yerba Buena Island and reuse of three other existing ramps that do not meet current State design and safety standards; and,

WHEREAS, In October 2007, the Governor signed Senate Bill 163, which: (i) requires Caltrans to work in cooperation with TIDA and the San Francisco County Transportation Authority ("SFCTA") on the design and engineering of replacement ramps connecting Yerba Buena Island to the Bay Bridge and to ensure that the design of the ramps is compatible with the design of the new Eastern Span; (ii) authorizes Caltrans, upon the transfer to TIDA from the Federal Government of the ramp connections, to accept from TIDA title, easements, and

other interests in land necessary for the State to own and operate one or more of the ramps; (iii) makes transfer of a ramp from TIDA to the State contingent upon completion of work on the ramp in accordance with specified standards; and (iv) requires a Project Study Report ("PSR") on the reconstruction of the Yerba Buena Island ramps to be finalized by December 31, 2008, requires the SFCTA to be the lead agency for the development of the PSR, and requires the SFCTA to work in coordination with TIDA, the Office of Economic and Workforce Development ("OEWD"), and the Bay Area Toll Authority; and,

WHEREAS, The PSR for the Yerba Buena Island ramps, which was prepared by the SFCTA in coordination with TIDA, OEWD and Caltrans, was approved and signed by Caltrans District 04 on December 19, 2007; and,

WHEREAS, The PSR evaluates several ramp design alternatives and recommends two project alternatives, and a no-build alternative, to be further studied and analyzed in the Project Report and Environmental Document ("PR-ED") phase of the proposed improvement or replacement of the Yerba Buena Island ramps (the "YBI Ramps Project"); and,

WHEREAS, The project development process for the YBI Ramps Project consists of a two-phase effort with Phase 1 consisting of conceptual engineering and the PR-ED), and Phase 2 being the final design and preparation of Plans, Specifications/Special Provisions and Estimate ("PS&E"); and,

WHEREAS, Completion of the PR-ED on a timely basis is imperative so that the new ramps designs can be incorporated into the Eastern Span Seismic Safety Project ("ESSSP") for the Bay Bridge; and,

WHEREAS, Article V, Section 2(k) of TIDA's Bylaws authorizes TIDA to contract with governmental agencies, including without limitation, any department, commission or agency of

the City, for the performance of services in furtherance of and related to the purposes of TIDA; and,

WHEREAS, On April 9, 2008, the TIDA Board of Directors adopted Resolution No. 08-18-04/09 authorizing the execution of a Memorandum of Agreement with the SFCTA under which (i) the SFCTA provides staff support and project management oversight in connection with the YBI Ramps Project and entered into a contract with the consultant selected through a Request for Proposals for preparation of the PR-ED, and (ii) TIDA will reimburse the SFCTA for the administrative, project management and consultant costs incurred by SFCTA relating to the YBI Ramps Project and the completion of the PR-ED; and,

WHEREAS, On May 13, 2009, the TIDA Board of Directors approved a First Amendment to the Memorandum of Understanding (the "First Amendment") that revised the scope of services and budget to enable delivery of preliminary engineering of the YBI Ramps Project to the 65% Design level on a schedule that is consistent with the ESSSP and increased the total not to exceed amount of the Memorandum of Agreement to \$8,800,000, plus accrued interest; and,

WHEREAS, TIDA and SFCTA staff have been in negotiations with Caltrans on two distinct Cooperative Agreements that SFCTA would execute with Caltrans relating to (i) Caltrans' issuance of an addendum to the contract for the Yerba Buena Island Transition Structure ("YBITS") for the steel and concrete necessary to connect the new westbound ramps to the YBITS at an estimated cost of \$715,000, and (ii) reimbursement of Caltrans for oversight work relating to the YBI Ramps Project that is above and beyond typical Caltrans oversight work for a locally led project due to the additional oversight necessary to connect the ramps to a high profile lifeline seismic bridge structure, in an amount not to exceed \$750,000; and,

WHEREAS, TIDA and SFCTA have negotiated a Second Amendment to the Memorandum of Agreement ("Second Amendment") to adjust the scope of work under the Memorandum of Agreement to reflect the Caltrans Cooperative Agreements and revise the level of project engineering to the 35% Design level, without increasing the \$8.8 million not to exceed amount; now, therefore, be it

RESOLVED, That the Board of Directors hereby approves and authorizes the Treasure Island Redevelopment Project Director to execute the Second Amendment to the Memorandum of Agreement with the SFCTA for project management services and consultant services in connection with the preparation of a PR-ED, preliminary engineering and Caltrans oversight for the YBI Ramps Project in an amount not to exceed \$8,800,000, plus accrued interest, in substantially the form attached hereto as Exhibit A; and, be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Redevelopment Project Director to take all actions necessary and appropriate to carry out the terms of the Memorandum of Agreement, as amended by the First and Second Amendments, and enter into any additions, amendments or other modifications to the Second Amendment that the Redevelopment Project Director determines in consultation with the City Attorney are in the best interests of TIDA, that do not materially increase the obligations or liabilities of TIDA, that do not materially reduce the rights of TIDA, and are necessary or advisable to complete the preparation and approval of the Second Amendment, such determination to be conclusively evidenced by the execution and delivery by the Redevelopment Project Director of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of TIDA at a properly noticed meeting on October 14, 2009.

Helen Nigg
Secretary

ITEM 8, EXHIBIT A
AGREEMENT # 07/08-46 B

Project Management and Oversight, Engineering, and Environmental Services
for the Yerba Buena Island Ramps Project

**Amendment to the Memorandum of Agreement
Between the San Francisco County Transportation Authority
and
The Treasure Island Development Authority**

This Amendment is made and shall be effective this 20th day of September, 2009 by and between the San Francisco County Transportation Authority ("Authority"), and the Treasure Island Development Authority ("TIDA"), referred to collectively as "Parties" or individually as "Party".

WHEREAS, The Authority and TIDA entered into a Memorandum of Agreement No. 07/08-46 ("Agreement"), effective as of July 1, 2008, for project management and oversight, engineering, and environmental services for the Yerba Buena Island Ramps project in San Francisco, referred to herein as "Project"; and

WHEREAS, The Authority and TIDA amended the Agreement, effective as of May 20, 2009 for continued preliminary engineering work; and

WHEREAS, Pursuant to the RFP that it issued in March 2008 ("the RFP"), the Authority hired a consultant ("the Consultant") to provide the engineering and environmental services necessary to complete the Project; and

WHEREAS, TIDA now requests that the Authority execute Cooperative Agreements (No. 4-2283 and 4-2137) with Caltrans and amend the Agreement with TIDA to allow for reimbursement of Caltrans costs as defined in Cooperative Agreements ; and

WHEREAS, TIDA now also requests that the Authority make any necessary adjustments to its contract with the Consultant in order to stay within the \$8,800,000 Agreement amount; and

WHEREAS, TIDA and the Authority agree that they should not increase the \$8,800,000 amount of Agreement to cover the costs associated with executing Cooperative Agreements (No. 4-2283 and 4-2137); and

WHEREAS, The Parties therefore wish to amend the terms of the Agreement as permitted by Section 8 of Agreement No. 07/08-; now, therefore be it

AGREED, That all terms of the original Agreement No. 07/08-46 and Agreement Amendment A shall remain in effect, except amended as follows:

Appendix C of the original Agreement is struck and replaced by this Appendix C, below:

Appendix C

Consultant Scope of Work

Scope of Services

Professional consultant services will provide the necessary planning and engineering services to produce all necessary documents required to obtain the Project Approval and Environmental Clearance (a Project Report (PR) and an Environmental Document (ED)), and to complete 35% preliminary engineering plans.

The project development process for the new YBI Ramps Project (Project) consists of a two-phase effort with Phase 1 consisting of the conceptual engineering, PR and ED. The ED will be a combined Environmental Impact Report (EIR) and Environmental Impact Study (EIS). Phase 2 is continued preliminary engineering up to 35% preliminary engineering plans.

The scope of work includes all work necessary to prepare a PR and ED in accordance with the current Caltrans policies and procedures and includes all work necessary to complete construction drawings for the new ramps that may be bid by Caltrans. The final PR and ED will require the City and County of San Francisco (City) and Caltrans approval. The Authority is undertaking this effort in its capacity as Congestion Management Agency for San Francisco and in cooperation with TIDA, the Office of Economic and Workforce Development (OEWD), and Caltrans District 04.

Project schedule: the Authority desires to adhere to the milestone schedule shown below for the consultant contract to develop the PR/ED. The schedule is intended to include adequate time for review and comments by the appropriate participating agencies.

- Notice to Proceed (NTP) April 2008
- Draft PR/ED June 2009
- Final PR/ED April 2010
- 35% Preliminary engineering plans November 2009

Preparation of the PR/ED shall commence immediately following receipt of an NTP from the Authority. The Consultant shall be responsible for all work necessary to prepare a PR/ED and to complete 35% preliminary engineering plans, and shall comply with applicable local, State, and Federal standards.

Specific tasks include: 1) project management elements, 2) development of the PR documents for approval, 3) development of the EIR/EIS documents for approval, and 4) 35% preliminary engineering plans.

Caltrans Scope of Work

In order to build the YBI ramps in conjunction with the construction of the new Eastern Span of the San Francisco – Oakland Bay Bridge (SFOBB), two critical Cooperative Agreements need to be

executed with Caltrans defined as follows:

1. Cooperative Agreement No. 4-2283 - defines responsibilities for issuance and implementation of an Addendum (in November 2009) to the currently advertised SFOBB Yerba Buena Island Transition Structure (YBITS) # 1 project. This construction contract Addendum allows for structural steel and concrete to be constructed as part of Caltrans SFOBB YBITS # 1 project to accommodate the future construction of the YBI Ramps project. This agreement reimburses Caltrans for their construction capital and support costs estimated at \$715,000.

2. Cooperative Agreement No. 4-2137 - defines responsibilities for both the Authority and Caltrans for project development work (i.e.: environmental analysis, right of way, and design) required for the project. This agreement also establishes reimbursement to Caltrans for State services estimated at \$750,000.

Appendix D of the original Agreement is struck and replaced by this Appendix D below:

Appendix D

Consultant Budget

The Consultant budget for Phase 2 preliminary engineering plans is decreased by \$1,465,000 from \$5,700,000 to \$4,335,000.

Caltrans Budget

Caltrans budget for services associated with Cooperative Agreements (No. 4-2283 and 4-2137) is established at \$1,465,000.

Appendix E of the original Agreement is struck and replaced by this Section 4 below:

Appendix E

Total Budget

The budget for this Agreement is \$8,800,000 for the period from execution of this MOA through June 30, 2010. TIDA's baseline reimbursement obligations for the consultant services and Authority staff services related to the YBI ramps project shall not exceed this budget amount without prior approval from the TIDA Board of Directors; provided, however, that TIDA's reimbursement obligation may exceed the budget amount without prior approval of the TIDA Board if the amount in excess of \$8,800,000 does not exceed the associated accrued interest costs as described in Section 4 of this Agreement.

The budget amount of this Agreement, excluding interest costs, which are additional as applicable, is as follows:

	\$
Total Authority Costs	313,021.21
Total Consultant Contract	\$
Phase 1	2,500,000.00

Total Baseline Cost	\$
Assumption	2,813,021.21
Contingency - Authority	\$
Costs	186,978.79

	\$
Cost Phase 1	<u>3,000,000.00</u>

Phase 2 Baseline Cost: 35%	\$
Preliminary Engineering	4,235,000.00
Contingency - Phase 2 35%	\$
Preliminary	<u>100,000.00</u>

Cost Phase 2: 35%	\$
Preliminary Engineering	<u>4,335,000.00</u>

Caltrans Cooperative
 Agreements (No.4-2283 and
 4-2137) \$1,465,000

Total Budget Under MOA
 07/08-46 A
 (Excluding Interest Costs
 Described
 in Section 4 of Agreement,
 which
 are Borrowing Obligations
 to pay
 over and above this cost
 amount: \$
8,800,000.00

WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

AUTHORITY

TIDA

Recommended by:

Cynthia Fong
Interim Deputy Director for Finance and
Administration

Approved by:

Executed by:

José Luis Moscovich
Executive Director

Jack Sylvan
Treasure Island Redevelopment Project
Director
On behalf of the Treasure Island
Development Authority

Approved as to form:

Dennis J. Herrera
City Attorney

By:

Deputy City Attorney




TREASURE ISLAND

TIDA Board Progress Report *Infrastructure Plan and Sustainability Plan Updates*

October 14, 2009

TICD

AGENDA

- 
- Water System
 - Wastewater System
 - Stormwater Management
 - Electrical Supply
 - Energy Sustainability Alternatives

Proposed Domestic Water System 2009



1. No changes to conceptual layout of the domestic water system
2. Reduced total domestic demands
3. Prepared "Water Tank Siting Study"

Proposed Domestic Water System Revised Domestic Water Demands

1. Water demands revised by SFPUC based on the 2004 Water Study. Includes water demands and conservation projected to 2030.

- 2006 Estimated Domestic Water Demand
1.54 million gallons per day
- 2009 Estimated Domestic Water Demand
1.10 million gallons per day

2. EIR to study potential for recycled water use within residential unit toilets for further reduction in domestic water demand

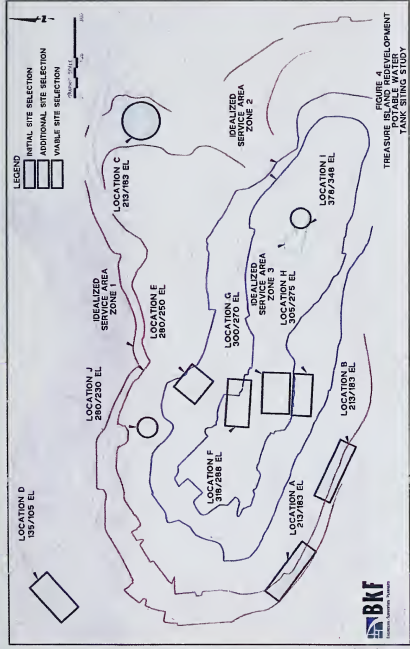
City and County of San Francisco
Retail Water Demands and Conservation Potential



Prepared For
San Francisco Public Utilities Commission
Planning Division

By
Margaret A. Henderson, P.E. and
Doreen M. O'Connell, P.E.
November 2004

Proposed Domestic Water System Water Tank Siting Study



Tank Siting Study

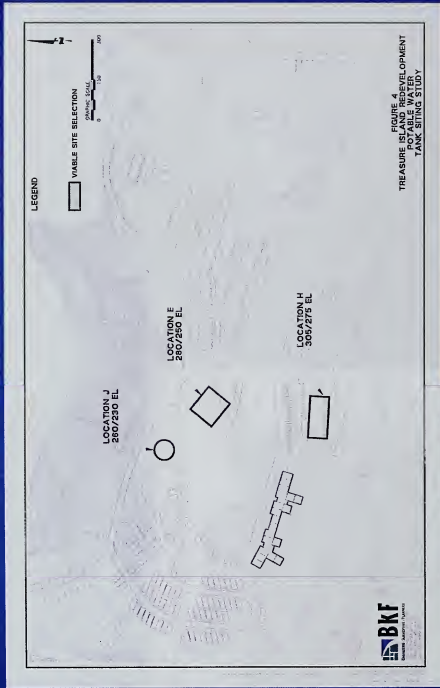
1. Reviewed potential locations for water tanks based on

- Topography
- Elevation
- Access
- Site plan

2. 10 potential locations identified

3. Coordinated with SFPUC to determine preferred locations

Proposed Domestic Water System Water Tank Siting Study



Tank Siting Study

1. Three potential tank sites identified

2. Location J

- a. Will replace existing 1 mill. gallon tank

3. Location E & H

- Only one tank will be needed for system
- Location H preferred
- Both being studied in EIR

Proposed Domestic Water System Status of SFPUC Coordination

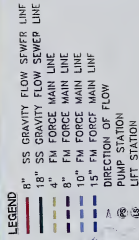
Status of Planning with SFPUC

1. Conceptual Agreement;

- a. Water system layout
- b. Domestic water demands
- c. Water tank location alternatives
- d. System design criteria

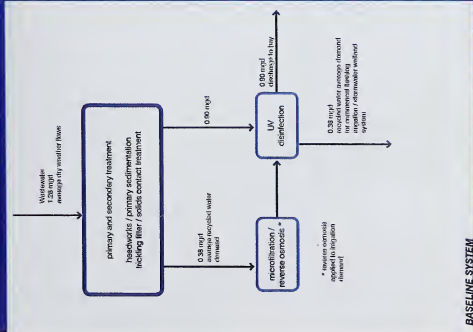
2. Draft Letter of Agreement Pending Final Water Supply Assessment

Proposed Wastewater System 2009



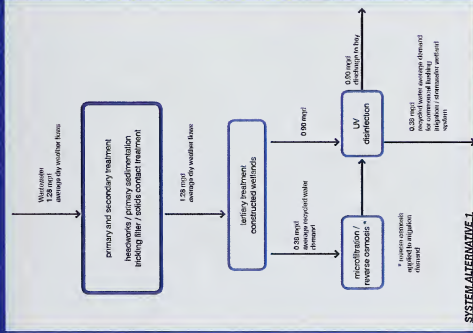
1. No changes to conceptual layout of the sanitary sewer system
2. Reviewed Wastewater Treatment Alternatives

Proposed Wastewater System Wastewater Treatment Plan Alternatives



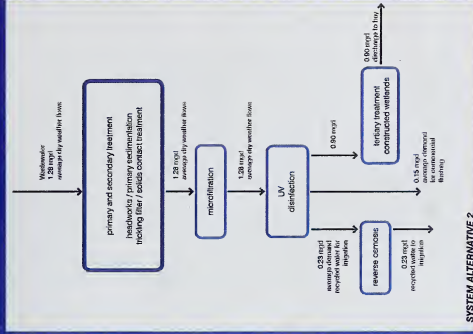
Baseline System

1. Headworks/Primary Sedimentation
2. Secondary Treatment Using TF/SC
3. MF and RO for recycled water
4. UV prior to recycled use or outfall to Bay



Alternative 1

1. Secondary effluent receives further treatment in constructed wetland prior to MF/RO and UV
2. Wetland area will require signage and fencing.
3. Water quality improved prior to outfall to Bay



Alternative 2

1. Disinfected effluent not recycled would be polished in wetland prior to outfall to Bay
2. Wetland area would not require signage or fencing
3. Water quality improved prior to outfall to Bay

Proposed Wastewater System Wastewater Treatment Plan Alternatives

Additional Options Considered

1. Membrane Bioreactors (MBR)

- a. Power requirements and operational costs are significantly higher

2. Wastewater Treatment Ponds (Oswald Ponds)

- a. Ponds would require 10 to 15-acres of area and would not be accessible to public
- b. Ponds would need to be 15 to 20 feet deep
- c. Would need to be constructed above ground with levees due to groundwater and potential hazardous materials
- d. Levees would require significant geotechnical stabilization
- e. Ponds would not be compatible with proposed open space program

Proposed Wastewater System Status of Discussions with the SFPUC

Status of Planning with SFPUC

1. Conceptual agreement;

- a. System layout
- b. Sewer demands
- c. System design criteria

2. Draft Letter of Agreement for wastewater system design criteria

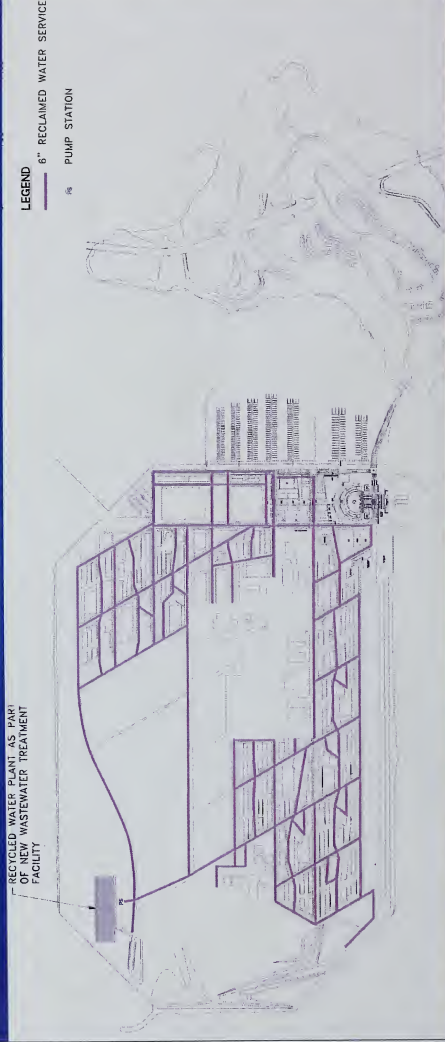
3. Finance, design, construction and O&M of wastewater treatment plant will be the responsibility of the SFPUC

- a. SFPUC in agreement with the waste water treatment plant alternatives being studied

4. SFPUC studying the potential for a cogeneration plant at the wastewater treatment plant.

5. TIDA and PUC working on terms to transfer 4-6 acres of land for demonstration scale sustainable infrastructure and technologies

Proposed Reclaimed Water System 2009



1. Recycled water for irrigation and appropriate commercial plumbing
 - a. EIR to study the potential for recycled water in residential toilets
2. Removed recycled water from YBI
 - a. Minimal demand and significant energy to pump to higher elevations
3. Will continue to refine the layout with the SFPUC through the Master Planning phases and Final Designs

Proposed Storm Drainage System 2006



1. All treatment flows pumped to wetland area
2. No treatment train
3. Increased construction, energy consumption, and operation and maintenance costs associated with number and size of lift stations.

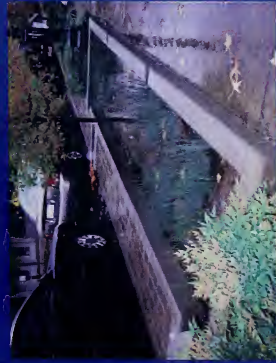
Proposed Storm Drainage System 2009



- Full array of stormwater treatment around the island – optimized to land uses and development program.
- More localized treatment around the island
- Treatment train approach – robust system with treatment provided by horizontal development.
- Multiple removal mechanisms, high treatment levels
- Most flexible with phasing
- Utilizes stormwater as a resource for wetland habitat creation and educational visibility
- Less pumping of storm water

Proposed Storm Drainage System

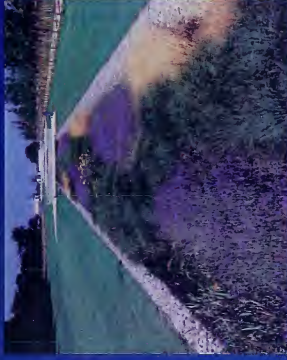
Examples of Treatment Elements



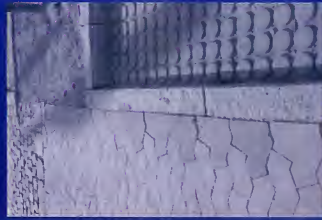
Roadway Bio-Retention Cells



Flow Through Planters



Open Space Bio-Retention Cells



Pervious Pavements



Wetland Areas



Bio-Swales

Proposed Wastewater System Status of Discussions with the SFPUC

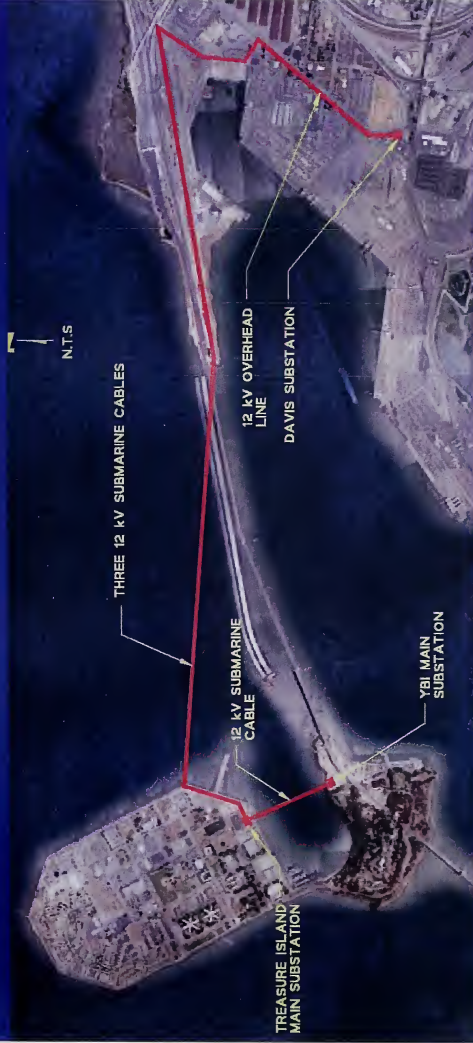
Status of Planning with SFPUC

1. Conceptual agreement;

- a. Treatment concepts
- b. System design criteria

2. Draft Letter of Agreement Pending

Off-Site Electrical Service



1. Total proposed power demand at full build out is less than the capacity of the existing system
2. No upgrades to the system required for Treasure Island development
3. SFPUC may construct optional upgrades for added reliability and redundancy.

Off-Site Electrical Service



Optional Upgrades for Reliability and Redundancy

1.Improvements to Davis Substation

- Cooling fans to increase capacity
- Connection to adjacent substation and improved switch gear for redundancy

2.Improvements to Overhead Line

- New conductor to increase capacity
- Add redundant line to existing poles to increase capacity and reliability
- Add underground line

3.Additional connection to PG&E system at lands end prior to connection to submarine cables.

Electrical Service

Status of Discussions with the SFPUC

Status of Planning with SFPUC

1. Conceptual Agreement with the optional off-site improvements being studied in the EIR
2. Working closely with the SFPUC to finalize on-site system layout and peak loads.

Energy Sustainability Alternatives

- Solar Power Generation
- District Energy – Central Plant
- Automated Waste Collection

Energy Sustainability Alternatives Discussions with Industry Providers

- Design-build-operate
- Operators
- Integrated Systems Providers
- Financing Companies

Energy Sustainability Alternatives

Solar Power



•SolarCity © 2009

Rooftop-mount

1. Buildings 1,2 and 3
2. New Buildings

Energy Sustainability Alternatives

Solar Power



Recurrent Energy © 2009

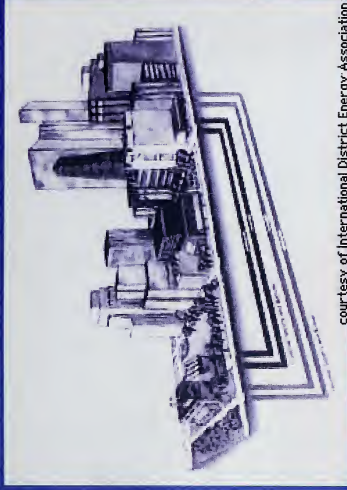
Ground-mount

Energy Sustainability Alternatives

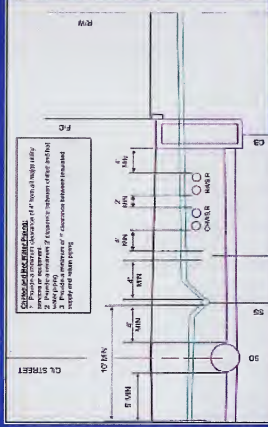
District Energy



NRG Thermal © 2009



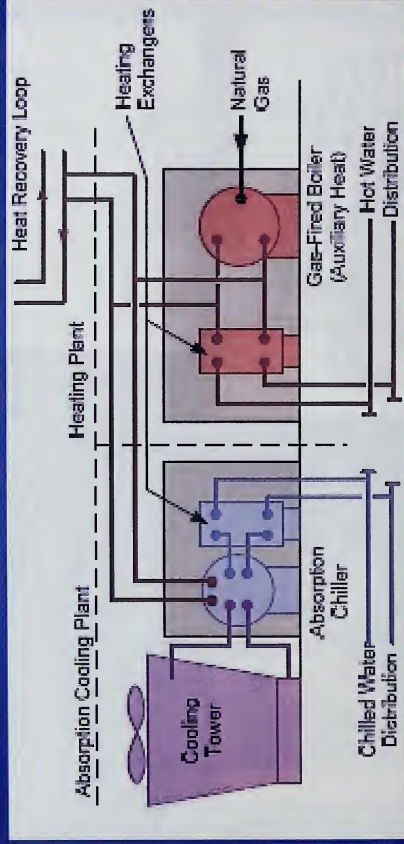
courtesy of International District Energy Association



Central Heating and Cooling

Energy Sustainability Alternatives

District Energy

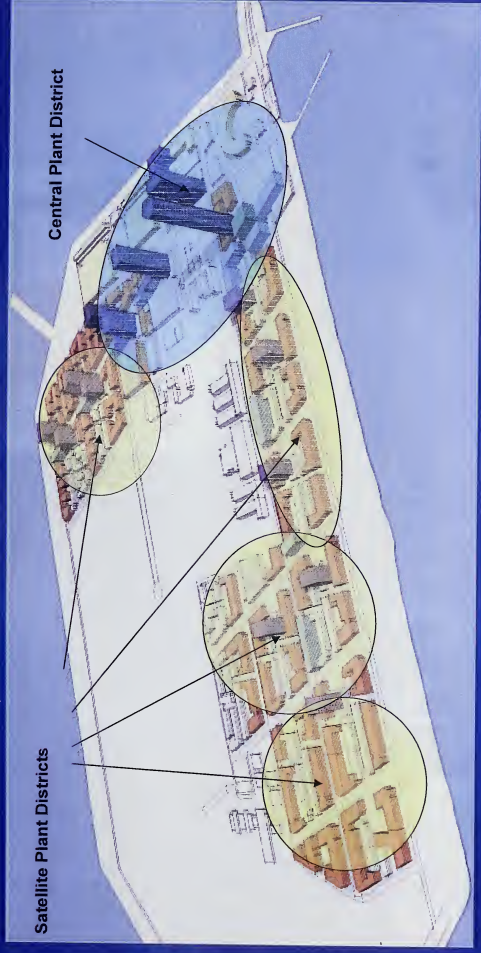


Central Heating and Cooling

- Combined heat & power

Energy Sustainability Alternatives

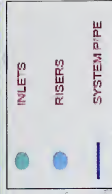
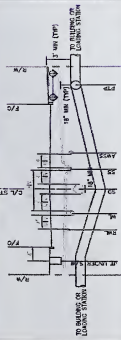
District Energy



- Central Heating and Cooling
- Centralized vs. Satellite Plant Options

Energy Sustainability Alternatives Automated Waste Collection

•Street Cross Section



the 1990s, the number of people in the UK who are aged 65 and over has increased from 10.5 million to 12.5 million, and the number of people aged 75 and over has increased from 4.5 million to 6.5 million (Office for National Statistics 2000). The number of people aged 65 and over is projected to increase to 15.5 million by 2020, and the number of people aged 75 and over to 8.5 million (Office for National Statistics 2000). The increase in the number of people aged 65 and over is expected to be due to a combination of factors, including a decline in the birth rate, a decline in the death rate, and a decline in the rate of immigration.

The increase in the number of people aged 65 and over is expected to have a significant impact on the UK's health and social care system. The number of people aged 65 and over who are in need of health and social care services is expected to increase significantly in the coming years. This is due to a number of factors, including the increase in the number of people aged 65 and over who are in need of health and social care services, the increase in the number of people aged 65 and over who are in need of health and social care services, and the increase in the number of people aged 65 and over who are in need of health and social care services.

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Draft Minutes of September Board Meeting
Treasure Island Development Authority
October 14, 2009

San Francisco City Hall
Room 400
San Francisco, CA

Gavin Newsom, Mayor

1. Call to Order

1:37 P.M.

Roll Call

Present at

Roll Call

Owen Stephens, *President*
Jean-Paul Samaha
Helen Nigg, *Secretary*
John Rahaim

Arrived after

Roll Call

John Elberling, *CFO*
Douglas Shoemaker

Excused

Fred Blackwell
Supervisor Chris Daly

GOVERNMENT
DOCUMENTS DEPT

NOV 16 2009

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2a. Director's Report

Director Saez updated the Board on the state of the historic tugboat Wenonah, which sank in August. After being raised, the barge that was going to transport it was unable to do so because the Wenonah's weight. Because the Coast Guard continues to have concerns about safety, TIDA has contracted with Oscar De La Cruz to inspect the vessels regularly and to remove water as necessary. The owner, the Historic Tug Boat Society, has been non-responsive to the situation. Clipper Cove Legislation was passed by the BOS in August. The actual regulations, based on the legislation and the dozen of comments received, need to be written in order to implement the legislation. Leslie Katz, under a Contract for Services, will do that. As a member of Staff earlier this year, Ms. Katz assisted in writing the legislation. In September – on both the 22nd and the 24th – TIDA Staff and the SFPD Marine Unit notified boaters who were anchored out in Clipper Cove that they should move their boats to accommodate the Dragon Boat Races. Eleven vessels were considered in violation of the legislation on the Cove at that time.

Last month, the TIDA Board approved an MOA, Grant and Sublease Agreements for the continued operation of a child development center on the Island. San Francisco State University, doing business as Head Start, was unable to meet the terms and conditions of the City and TIDA for Insurance and Indemnification. TIDHI stepped in and became the grant recipient and subtenant to the deal, thus keeping the child care center doors open.

Camera equipment has been installed at the front gate – as requested in the TIDA Community Benefit Survey – to monitor vehicle traffic on and off the Island. However, TIDA must first satisfy the requirements of the Community Safety Camera Ordinance 127-06 and provide public notice before they become fully operational.

Other items of note include: Treasure Island is scheduled to receive four bus shelters from Clear Channel, a MUNI vendor; the Job Corps will participate in a shoreline clean-up day on October 25th; and the San Francisco Police Commission held its first monthly neighborhood meeting on Treasure Island September 30th.

Four new subleases have been signed since July which will generate an annual income of \$36,900.

On Saturday and Sunday, September 26th and 27th, the International Dragon Boat Races were held on Treasure Island, with an estimated attendance of 50,000 guests. On Saturday, October 10th, TIDA was again host to the Alzheimer's Memory Walk. Between the Walk and Fleet Week activities – not to mention the Oracle setup - there were more than 5,000 guests on the Island. Then on Sunday, October 11th, the Lodi Winegrape Commission held a very successful first annual wine festival at our new Pavilion by the Bay. Attendance exceeded expectations, with over 1,600 participants enjoying wine from 45 Lodi wineries. Staff is now preparing for tonight's Oracle event and this weekend's third annual Treasure Island Music Festival.

There are two *Shout Outs*: the first to Peter Summerville for being nominated for a California On-Location Award; and to Lev Kilun of Lev's Kitchen for landing a contract with Whole Foods for his tea.

Director Elberling arrived at 1:43 P.M., and Director Shoemaker arrived at 1:46 P.M.

Director Elberling asked about the cost to TIDA for the Oracle tent. Ms. Saez said that TIDA did not pay for the tent, that TIDA only waived the fee. Those particular negotiations were conducted with the City, not with TIDA.

Director Samaha asked whether or not there would be advertising on the new bus shelters. Ms. Saez said these bus shelters were the older models and that there would be no advertising. They are not similar to the new ones being erected in the city.

There was no public comment.

2b. Report by Office of Economic & Workforce Development

Mr. Jack Sylvan reported that he is working with the PUC on an exclusive negotiating agreement between TIDA and the PUC and that the two agencies would enter into today (October 14, 2009) It outlines a roadmap that defines responsibilities and time frames. The ENA component will be brought to the Board at the November meeting, and it will be acted upon by the PUC Commission this month.

Five on-Island resident meetings were held in September to address transition issues. He estimated about 150 individuals attended. They included YBI residents, and JSCo and TIDHI residents from TI. He stressed that no resident would be asked to leave during the redevelopment process. He also noted that these plans were being developed, that they were designed to be transparent, and that they were in compliance with local laws. He also said plenty of notice

would be given before any transitions, and that the YBI residents will be the first to be transitioned. He also said they needed to conduct interviews to prepare demographic information for reports required by the State. All interviews would be confidential. They have started and hopefully will continue through December. He also said that residents do ask questions to which there are no concrete answers as of yet.

Mr. Sylvan asked the Directors if there were any questions or comments on what he had presented thus far.

Director Shoemaker asked how the interim operations budget would be structured – taking into account the lower operating costs while acknowledging the lower revenues. Mr. Sylvan said he was in contact with JSCo to address this. He said the JSCo has to keep some TI units open to be made available to the YBI residents as they are moved and that this will have an impact. Ms. Saez said it was included in the 2010/2011 TIDA budget. Mr. Sylvan said a broader-based report should be available within the next two months.

Director Elberling said that he wanted to make sure that a discussion item be scheduled prior to implementing any relocation plans so that there could be comment and so that residents could participate in the discussion. He felt all this discussion should take place before the actual plan is drawn so that proper assumptions are made at that time. Director Shoemaker agreed with Director Elberling's comments. Ms. Saez reminded the Directors that the budget process for next year begins in earnest in a couple of months and that she and Mr. Sylvan are in close contact about this.

Mr. Sylvan then continued with his report. In terms of the Navy transfer, Mr. Sylvan reported that the no-cost turnover option did not take place, but that the legislative process was proceeding. The House of Representatives had voted, and the Senate had not, but would in the near future. He said that the language that would have allowed the Department of Defense (DOD) to receive fair market value of the property had been removed. This gave the DOD the ability to base the consideration they receive on the local economic conditions and on the cost of infrastructure needed to support redevelopment. It also authorized the DOD to accept as consideration a share of the revenues. There was also language strongly recommending the DOD conclude these negotiations with all bases around the country quickly. Mr. Sylvan said that he was optimistic that an agreement might be reached by the end of the year.

Director Samaha asked how the "share of revenues" figure was determined. Mr. Sylvan said there were several ways, but that it needed to be agreed to by the Navy and support the development plan. He also said that there was no finite number of dollars and that the percentages were negotiable.

There was no public comment.

2c. Report from the Treasure Island/Yerba Buena Island Citizen's Advisory Board

There was no report given.

3. Communications

Communication items include: John Stewart Co.'s August 2009 Percentage Rent Report, the October Island Newsletter, and media items concerning Treasure Island.

4. Ongoing Business by Directors

There was no on-going business brought forward by the Directors..

5. General Public Comment

There was no general public comment.

6. Consent Agenda

Agenda Item 6A, the September 9, 2009 Minutes, was pulled for discussion by Director Samaha. There was no public comment on the remaining items.

Director Stephens motioned for approval Agenda Items 6B and 6C.

These two Consent Agenda Items passed unanimously.

6A. Approving the Minutes of the September 9, 2009 Meeting.

Director Samaha stated that the Minutes showed that both he and Director Shoemaker were not present. He stated that they both had been present. The Board Secretary clarified this by stating that neither Director had been present when the role was called, but that the arrival of each was documented – with the time – as part of the appropriate Item within the Minutes.

Director Stephens noted that this had been the practice for several years, but said it could be revisited. Director Samaha said that some other Boards placed the time in parentheses next to the name of a Director if he/she arrived late.

There was no public comment.

Director Stephens motioned for approval of Item 6A.

Item 6A passed unanimously.

7. Resolution Authorizing an Extension of the Exclusive Negotiation Period and Required Completion Dates Under the Amended and Restated Exclusive Negotiating Agreement with Treasure Island Community Development, LLC.

Mr. Jack Sylvan, Office of Economic & Workforce Development, stated that in March 2008 the agreement was amended with a provision that recognized the uncertainty of the transfer negotiations with the Navy. The original Amendment called for rolling all provision ahead on a month-to-month basis if negotiations with the Navy were not completed by December 31, 2008. This new Amendment would extend these provisions another 12 months if an agreement were not reached with the Navy by December 31, 2009.

There were no questions from Directors and no public comment.

Director Shoemaker motioned for approval.

The Item passed unanimously.

8. Resolution Authorizing a Second Amendment to the Memorandum of Agreement with the San Francisco County Transportation Authority for Project Management Services and Consultant Services for the Preparation of a Project Report and Environmental Document for the Yerba Buena Island Ramps.

Mr. Jack Sylvan, Office of Economic & Workforce Development, said there is a Memorandum of Agreement (MOA) with the San Francisco Transportation Authority who is working as the lead on the Caltrans YBI Ramp Project. The MOA was amended in May 2009 to increase scope and budget to meet schedule for the synchronization overall construction of the Eastern Span and the Ramps. This Second Amendment would increase the scope and the budget to include two cooperative agreements with Caltrans in relation to this Project. Mr. Sylvan stressed that the Amendment does not increase the budget.

Director Rahaim asked for clarification. Mr. Sylvan clarified that there were two separate components that needed to happen now: Caltrans oversight of design and engineering of two new ramps; and the physical improvements that need to be made in the next phase of the Bridge, so that the ramps can be hooked on.

There was no public comment.

Director Samaha motioned for approval.

The Item passed unanimously.

9. Informational Presentation on Sustainability and Infrastructure Updates.

Mr. Michael Tymoff, Office of Economic & Workforce Development, introduced the presentation which was made by Treasure Island Community Development.

Mr. Todd Adair, BFK Engineers, said that the water system, first proposed in 2006, was basically the same – with tanks on YBI with pipelines. Domestic demands have been reduced by 500,000 gallons a day, and they are investigating the possibility of using recycled water in both residential and commercial units. They now have three feasible locations for tanks on YBI, although they are planning only on two. There is a draft letter of agreement with the PUC pending final water assessment now taking place. Finance and design of the waste treatment plant will be the responsibility of the PUC.

The reclaim water system has the same layout as before on TI; it was removed from YBI in 2006 because of the limited demand and the number of pumps involved.

Working with the PUC, the storm drain system takes water and disperses it around Island. This will reduce amount of pumping. The core area alternatives are being discussed; LID technology will be utilized.

Mr. Orion Fulton, sustainability consultant, was asked to investigate technologies and service providers who would provide fee-for-service models so that the TICD budget would not be impacted. The two major options for solar power are roof models and solar farms on the open space (grounds). Another possibility would be a third party providing hot and cold water through heat exchangers which could be coupled with power generation. There would probably be a central plant in the core area and a couple of satellite plants in the outlying, lower density areas. Director Rahaim asked if there were goals concerning meeting energy demands on-Island and off-Island. Mr. Kheay Loke, Wilson Meany Sullivan, said that five percent of peak demands from on-Island production was the target, and that the plans presented today would exceed this target.

Director Elberling said he didn't feel solar farms were feasible because they would reduce the open spaces, which he pointed out has been a main selling point for years.

Director Shoemaker questioned whether the waste-removal system being proposed was cost effective. Mr. Loke said that households would receive a bill – like city residents now get for trash pick-up – and rates would be the same.

Director Samaha, using the fresh-water system as an example, asked how implementation and costs would be factored in the evolving market. Mr. Loke said that they would be amortized up front against expected revenues later on. He said there was no easy answer, but that it is done judiciously.

Director Rahaim suggested that solar panels as part of a building's façade be investigated as well as roof panels. Mr. Tymoff said that plans do allow for vertical developers to come aboard.

Director Nigg asked if there would be one entity overseeing everything. Mr. Loke said it was too big for a single entity to oversee everything.

Under public comment Ms. Ruth Gravanis praised Director Elberling's comment about use of open space for solar farming. She also commented that she would like to hear more about YBI, citing runoff from rain as an example where YBI washes onto Clipper Cove Beach. She said that essentially she was very pleased with what she had heard.

10. Possible Closed Session

The two Closed Sessions were dealt with as one.

There was no public comment on either proposed Closed Session.

Director Stephens motioned to move to closed session.

The TIDA Board went into Closed Session at 3:15 PM.

Closed Session Attendees:

Jack Sylvan, Office of Economic & Workforce Development

Michael Tymoff, Office of Economic & Workforce Development

Peter Holm, Treasure Island Development Authority

Eileen Malley, Office of the City Attorney

Mirian Saez, Director of Island Operations

The TIDA Board returned to Open Session at 3:59 PM.

Director Stephens motioned not to disclose the Closed Session discussion.

The Board unanimously voted not to disclose the Closed Session discussion.

11. Discussion of Future Items by Directors

There was no discussion.

12. Adjourn

The meeting was adjourned at 4:00 P.M.



